

## Viewpoint

With the increasing globalization of retailing, the use of IT in retail is indispensable for managing the complete supply chain **Page 28**

## Food Safety

Why manufacturers and exporters need to develop an enhanced ability for spotting future food safety hazards **Page 32**

## Bakery Retail

Sugar & Spice India, which run its stores in high footfall areas, is looking to open 40 new outlets across NCR **Page 98**

# PROGRESSIVE GROCCER

July 2018 Volume 12 Number 7 - Rs 100 [www.indiaretailing.com](http://www.indiaretailing.com)

**INDIA EDITION**



### Legacy of Nilgiris Family Trust

Nilgiris Family Trust is a trust established in 1947, which has been managing the Nilgiris Family Trust since its inception. The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations.

The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations. The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations.

The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations. The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations.

The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations. The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations.

The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations. The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations.

The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations. The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations.

The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations. The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations.

The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations. The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations.

The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations. The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations.

The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations. The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations.

The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations. The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations.

The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations. The trust has a long history of managing the Nilgiris Family Trust and has been successful in its operations.

Page 22

## N SUPERMARKET SCOUTING FOR NEWER LOCATIONS IN KARNATAKA AND TAMIL NADU

### Category Watch SNACKS

Brands and retailers capitalize on a growing market for snacks that are fun, healthy and convenient to eat



Page 42



PANJIRI LADDOO



PUNJABI PATISHA



BESAN LADDOO  
PREMIUM



BESAN LADDOO



BADAM LADDOO



DRY FRUIT  
HALWA BITE



SOAN PAPDI  
PREMIUM



SOAN PAPDI  
KESAR



KARACHI HALWA



SHAHI PATISHA



MYSORE PAK

For business query write to us at [info@lalsweets.com](mailto:info@lalsweets.com)

[www.lalsweets.com](http://www.lalsweets.com)

[f](#) [i](#) [t](#) @lalsweets

# PROGRESSIVE GROCER

July 2018 Volume 12 Number 7 · Rs 100 [www.indiaretailing.com](http://www.indiaretailing.com)

INDIA EDITION



**"AL MAHA FOODS  
SETTING QUALITY  
TRENDS IN INDIAN  
BASMATI TRADE  
FOR 20 YEARS AND  
CREATING A LEGACY  
OF EXCELLENCE"**

**H. R. SALMAN**  
MD, AL MAHA FOODS INTERNATIONAL PVT. LTD



# MUNCHHONN<sup>TM</sup>

Mood banaye mast!

NAMKEENS & SNACKS



"Prestigious  
Rising  
Brand of Asia  
2017-18"  
-BARC ASIA \*

Khao  
aur  
Khilao  
kareeb aa jao..

AFP MANUFACTURING CO. PVT. LTD.

Corporate Office: A-1/172, 1st Floor, Janakpuri, New Delhi-110058 (India) | Phone: +91 9899204019  
Works : B-5 & A-2, EPIP Industrial Area, Hajipur-844101, Distt. Vaishali (Bihar), E-mail: info@munchhonn.com

www.munchhonn.com | Follow us on:     





FOODCOAST SAUCES & DIPS

Giving your palates a **tasty twist**



ANYWHERE & EVERYWHERE



ACROSS 20 STATES | 127 TOPPINGS | INFINITE COMBINATIONS



FOODCOAST INTERNATIONAL

A-23A, Focal Point Extension, Jalandhar, Punjab-144004, Ph.: 0181-5077771 / 72, Toll Free No. 1800 274 274 0

Email: [info@foodcoast.com](mailto: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 Zaki**

#### 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](mailto: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 past couple of years, health-oriented snacking has gone mainstream in a big way. Better-for-you snacks made with whole grains and other healthful ingredients are being regularly introduced in the market. There are alternative chips made from beets, sweet potatoes and cassava to crispy vegetable snacks, made from green beans, soybeans and chickpeas. All of these are gaining in popularity thanks to their minimally processed/ maximum nutrition persona, besides offering a range of crunchy, salty, spicy and other flavors.

Consumers today are demanding more from their snacks making them become less and less the hunger-soothing bridge between formal meals and more of a valuable gastronomic event in their own right. While the iGeneration/ Millennials are drawn to organic snacks and products with added nutrition, (think protein, vitamins and fiber), and a variety of flavors, even the older generations are getting acculturated on healthy snacking with the availability of a greater variety of types and brands of healthy snacks to consume depending on the occasion.

Our lead story in this issue of the magazine 'What's Feeding the Snacking Frenzy' takes an in-depth look into the snacking sector while highlighting the innovations that retailers and manufacturers are introducing for fueling future growth in the segment. Turn on the pages to read all about the strategies that brands, marketers and retailers are going for to make snacks better connect with the consumers.



Amitabh Taneja  
 Editor-in-Chief

All feedback welcome at [editorpgindia@imagesgroup.in](mailto: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](mailto:subscription@imagesgroup.in)  
 For feedback/editorial queries, email to: [letterzeditor@imagesgroup.in](mailto:letterzeditor@imagesgroup.in)  
 visit us at [www.imagesgroup.in](http://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



# The Nut in Nutrition

PREMIUM QUALITY DRY FRUITS



Connect with us on <https://www.facebook.com/HappiloIndia>  
Email : [info@happilo.in](mailto:info@happilo.in) Website : [www.happilo.in](http://www.happilo.in) Customer care: +91 888 448 4000

### COVER STORY

22

*“N Supermarket is known for its fresh products and strong private label in staples and bakery.”*

N Supermarket is an established regional retailer in Karnataka and Tamil Nadu well known for its medium-sized stores that specialize in providing fresh and quality products at a reasonable price. “We are looking to expand our footprint and have chosen the franchise route for expansion,” says C. Gopalakrishnan, Managing Director.



### CATEGORY WATCH

42



#### What’s Feeding the Snacking Frenzy?

For an increasing number of consumers, healthfulness, taste, and portability are important considerations when choosing a snack. Snack products that bridge the gap between nutrition and indulgence with tasty, portable options will break through the clutter. Regional and local taste preferences need to be considered when developing a successful growth strategy. Savvy retailers and manufacturers are taking note and beginning to tailor snack offerings to meet the emerging demands.



#### 18 FRESH FOOD

Fresh frenzy

#### 28 VIEWPOINT

Technology: Knight in shining armour for retail businesses

#### 30 SUPPLY CHAIN

Easy sell

#### 32 FOOD SAFETY

Global food safety concerns and Indian trade



#### 38 RETAILER

From dealing in dairy to more

#### 90 COLUMN

Smart snacking



#### 92 SUPPLIER

Bottled fresh, pickled and preserved

#### 94 PACK-N-GO SNACKS

Mini meal masters



#### 98 BAKERY RETAIL

Sugar & Spice India stores offer the taste of authentic bakery products at affordable prices across NCR

#### 100 TECHNOLOGY

The perks of being an app user

### IN EVERY ISSUE

#### 10 MARKET UPDATE

Kiwifruit from Chile to target growing Indian market

#### 102 WHAT NEXT

Fresh & Pure launches cold pressed juices





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

## Kiwifruit from Chile to target growing Indian market

The Chilean fruit industry in collaboration with Embassy of Chile and the nation's commercial trade office in India- ProChile, has announced plans to support the growth of Chilean Kiwifruit exports to the Indian fresh fruits market. The Chilean Fruit Exporters Association (ASOEX) and the Chilean Kiwifruit Committee will structure a comprehensive promotional campaign in India this season, which will be administered by ProChile to tap into the market opportunities created by the rapid growth of kiwifruit consumption in India. The campaign is also being supported by three leading fresh produce importing companies from India – Aayush Impex, IG International and NGK Trading.

Carolina Vasquez, Commercial Director, ProChile said: "The Indian market holds great importance for Chilean kiwifruit due to the rising demand in the country. Chile also has a 50% advantage in tariffs compared to other countries that



export this fruit to India. Through this campaign, our aim will be to promote Chilean kiwifruit and also an array of food products imported from the country such as berries, nuts and seafood. We also aim to gain a better understanding of the benefits of the preferential trade agreement

signed between Chile and India." With the launch and promotion of Chilean Kiwifruit in India, Chile is hopeful that this step will represent an important contribution towards strengthening the country's image amongst importers, distributors, retailers and end consumers.

## KNG Agro Food launches new range of cooking oils

With the vision of 'Healthy India', KNG Agro Food Pvt. Ltd. recently launched a range of edible cooking oils, KNG Premium. The range includes exclusive blends of olive oil, canola oil, corn oil and mustard oil with sesame cooking oil as it has extraordinary health benefits. While building immunity, stronger bones and a healthier heart, sesame oil also leads to beautiful skin and hair. The brand wishes to communicate these health benefits related to sesame oil and wants to displace notions about low-quality cooking oils offered at low prices in the market. With a unique quality control system, KNG does not differentiate between an elderly consumer and a growing child as it believes in the importance of the presence of undiluted cooking oil in every kitchen. Looking to combat various lifestyle related diseases, the firm wants to encourage a healthier way of life and has also set up a fully automated desi ghee manufacturing unit under Bharat Organics and Dairy Products through their brand Ashtavinayak.



## New tests reveal dangerous levels of fluoride in high-end teas

As part of an independent study conducted by Newby Teas, globally recognized laboratory Eurofins was commissioned to conduct lab tests for fluorides at their center in Wolverhampton, UK. Focused on community health and consumer awareness, the project used 31 samples of teas from various popular international brands. The testing revealed that some premium brands have fluoride levels up to 1.06 mg per cup and that, if drunk in quantity, could compromise bone health. Out of the samples tested, 95% of Newby Teas were recorded to have the lowest fluoride levels, i.e., 0.25-0.35 mg of fluoride per cup (200 ml). Nirmal Sethia, Founder of Newby Teas stated, "While the figures don't look too bad for someone drinking the occasional cup of tea, several cups consumed per day could lead to significant negative effects on an individual's health. We will continue to monitor the situation for the purpose of product control and comparative analysis. While this has not been deemed compulsory, we believe it is our ethical duty to do so."

## Pop Chai gives tea culture an innovative twist

Known for their quirky taste in tea, Pop Chai has introduced the latest trend in tea culture to Delhi by means of the Taiwanese concept of Bubble Tea. Loaded with chewy tapioca balls and fruit poppers, the 1980s inspired tea comes with a fat straw and a definitive pop. Pop Chai bubbles in the authentic taste of Taiwanese tea and experiments with strong undertones to bring about a colorful burst of flavors for chai-lovers and a fun spin to the regular tea experience. Served warm or ice cold, Bubble Tea comes in a variety of milk-based and fruit-based variants including matcha green tea, bubblegum, coconut, blueberry, rose, grape, passionfruit, kiwi, etc. Based on a global trend, the concept introduces a number of exciting flavors and makes for a fun snack and drink.



## Crystal Crop unveils products to improve farm productivity

Established agrochemical company Crystal Crop Protection launched seven new products for farmers, which are aimed at improving farm productivity and profitability and protecting crop produce. Keeping in mind the common challenges faced by farmers, the product mix includes fungicides (Azotrix and Pluton), herbicides (Penoxa and Penadril Plus) and insecticides (Neo Super, Lunox and Umpire). These products aim for a higher yield and thus, more bring profit for farmers. With its latest offerings, Crystal Crop hopes to strengthen its presence across India and improve the landscape of Indian farming. The product range contains fungicides meant for paddy crop and tomatoes, herbicides meant for broad spectrum control of weeds in crops such as paddy, cotton, chilli and soya bean, and multipurpose combination insecticides. Commenting on the launch of these products, C.S. Shukla, Senior Vice-President, Marketing said, “Crystal has been focused on providing complete farming solutions for all stages of the process, from sowing of the seed to harvesting. We conduct regular R&D to collect direct feedback from farmers and provide them the most effective products. These new products are part of the integrated crop solutions being promoted by Crystal and make our product line more robust.”



## Zebra technologies takes progressive strides in the fulfilment industry

Zebra Technologies Corporation announced the results of the Asia-pacific edition of the Future of Fulfilment Vision Study. The research study was conducted to analyze how manufacturers, transportation and logistics (T&L) firms, and retailers are preparing to meet the growing needs of the on-demand economy. According to key findings, 55% of organizations are still using inefficient, manual pen-and-paper based processes to enable omnichannel logistics. The study also revealed that 67% of logistics companies expect to provide same-day delivery by 2023 and 55% anticipate delivery within a two-hour window by 2028. Corresponding to the developments in the fulfilment space, Zebra has introduced a new mobile printer and RFID solution that function both on and off-



premise. The new ZQ300 Series mobile printers empower workers in the field, in the warehouse or on the retail floor with on-demand printing capabilities. Meanwhile, the FX9600 fixed UHF RFID readers will enable enterprises to keep up with high volumes of cargo movements in the warehouse or dock doors. Deep Agarwal, Regional Sales Director-India, Zebra Technologies, said, “Driven by the tech-savvy shopper, retailers, manufacturers and logistics companies are collaborating and swapping roles in uncharted ways to meet shoppers’ omnichannel product fulfilment and delivery expectations.”

### GreyOrange to showcase end-to-end solutions for advanced supply chain automation

GreyOrange, a multinational robotics and supply chain automation company, and Advanced Warehouse Solutions, their distributor in Australia, will showcase a portfolio of end-to-end solutions for supply chain automation at CeMAT Australia 2018 at the Melbourne Convention and Exhibition Centre on 24-26 July. Among the solutions GreyOrange will showcase are the Butler robotics system that has been deployed globally, a collaborative robot, Butler PickPal and its software platform, GreyMatter.

The Butler goods-to-person system is used in distribution centers and omnichannel warehouses. The Butler range can handle a payload of 100 to 1600 kg (220 to 3500lbs) to move different kinds of loads from finished goods to raw materials,



including pallets, drums and sacks. It can use an elevator on its own and will support multi-floor operations, providing even greater flexibility to handle inventory across a facility. The Butler PickPal is used for the purpose of high-speed auto-fulfilment

and works alongside a warehouse operator to increase throughput multifold. Powered by AI and Machine Vision, the product revolutionizes the picking of high-mix SKU inventory in e-commerce fulfilment centers.

### Grover Zampa Vineyards strengthens its international foothold

India's most prestigious wine producer Grover Zampa Vineyards extended its international presence in collaboration with international tennis player Vijay Amritraj. The project entails the launch of Vijay Amritraj Reserve Wine Collection in Dubai and was kicked off by the unveiling of the brand's fine handcrafted vines at an event in the city. Launched in London in 2014, these wines are the result of careful preparation and collaboration between the wine producing giant and Vijay. Truly reflective of Indian tastes, the wines have garnered worldwide recognition with 22 distinguishable awards since their inception. They are also available across the USA,

the UK, Australia, France, Japan, Nepal, the Maldives and Singapore. Thrilled to be adding another feather in their cap of international feats, Vivek Chandramohan, CEO, Grover Zampa Vineyards, opined, "We are very excited to showcase the premium wines that Indian soils can produce and are delighted to launch the initiative in Dubai. Our brand is dedicated to excellence and we are happy to see the rising recognition the collection is receiving across international markets."



### Consumers embrace human-like AI experiences

New research from Capgemini's Digital Transformation Institute has revealed that artificial intelligence (AI) is no longer alien to consumers, with close to 73% indicating that they have interacted via AI, and 69% of those who have used AI being satisfied with those interactions. The report, "The Secret to Winning Customers' Heart with AI: Add Human Intelligence" reveals that 64% of customers want AI to be more human-like. These human-like qualities can generate significant goodwill and drive a greater propensity to spend. The research, which surveyed 10,000 customers and over 500 companies across 10 countries, found that 63% of consumers like AI because of its 24/7 availability and how it provides greater control over their interactions. Consumers are also opening up to the possibility of delegating tasks to an electronic personal assistant to enhance their quality of life. However, many organizations are failing to take customer pain points and preferences into account when applying AI technology to their customer experience, focusing more on traditional metrics such as the cost of implementation and expected return of investment.

Click for more Food & Grocery news

[www.indiaretail.com](http://www.indiaretail.com)

Follow us on :

 /popicornindia

 /popicornindia

[www.popicorn.in](http://www.popicorn.in)



**Pop goes the corn...  
and the best is here!**

**More Flavours**



**Cheese**

**Butter**

**Tomato**



# “AI Maha Foods setting Quality trends in Indian Basmati trade for 20 years and creating a Legacy of Excellence”



**H. R. SALMAN**

Managing Director, AI Maha Foods International Pvt. Ltd



H. R. Salman, Managing Director, AI Maha Foods International Pvt. Ltd, speaks to Progressive Grocer about his company's quality assurance and testing services for the Indian Basmati rice industry and how it is helping raise the production, quality and hygiene benchmarks of Basmati rice players for expanding the product market domestically and globally.



## Tell us about your company and its line of business.

AI Maha Foods International Pvt. Ltd. is into providing Quality Assurance Services for Basmati rice export to selected International buyers from India. We are an ISO 9001:2015 organization and have just completed 20 years of operations in India. We are celebrating this milestone with our counterparts in the Middle East and consumers in India. It is a momentous occasion for the company and we are thankful to our business associates in India for accepting us as a Quality Assurance company and as a player that looks into the Quality Check functioning of the Basmati rice industry in the country. Our business associates in India and overseas appreciate the role we play in helping the basmati rice industry in India upgrade its production, quality and hygiene standards in a major way to meet International standards.

We have three distinct lines of operations – Quality Assurance of Basmati Rice, Exports of Basmati Rice and Domestic Sale of Basmati Rice. As an exporter, we are recognized as a Star Export House by Government of India. We are trying to enter into domestic sale of rice with the brand name 'Perfect Choice'. It's a very humble start and we plan to acquire a sizable market share in the near future.

## As a Quality Assurance company, what are the features that have helped you make your mark?

We are the first and one of the largest Quality Assurance organizations for Indian Basmati rice, inspecting more than 120,000 MT of Basmati rice annually. We are also the sole Quality Assurance Organization for AI Muhaidib for over 20 years now. We provide

services to International markets, including US, Canada, Europe, Saudi Arabia, Kuwait, Qatar, UAE, Iraq, Yemen, Lebanon and Jordan. As a professionally run organization, we target zero error in the functioning of our organization and our USP is to focus on quality and deliver perfect value products and services at the right price. The focus on quality, quality management systems and continual improvement in the processes keeps us ahead in the industry.

We are dealing with a highly sensitive and quality-conscious consumer base that demands perfection in each and every parameter of product, including looks, hygiene, taste, purity, packaging and presentation. Basmati Rice is a premium product to purchase and one needs to ensure timely supplies of goods and services in line with the demands of both our premium consumers and markets.

**What has been your business strategy for the industry you operate in?**

We conduct our business in a very strategic and professional manner. Strategically, we go for a low risk and low margin stakes instead of taking higher risks that can be troublesome. We have a very calibrated approach to the business – we do not get into speculations and always try to keep our business exposure in our grip.

**How do you look at the consumption trend for basmati rice?**

India is blessed to have this wondergrain. Anyone who tastes this rice falls in love with it. Worldwide, there are millions of lovers of this wondergrain. The international as well as domestic market for the product has been expanding steadily and so has been the production. Export of Indian basmati rice is a challenging area. Procuring the right paddy at the right time and at the right price are the key factors to make this business a success. Fluctuation



**Leadership team at Al Maha**

in paddy prices and forex makes it even more challenging. We have the privilege of processing, packing and supplying the most popular brands such as Al Walimah, Al Aila and Punjabi Al Muhaidib brands. However, the price factor of the product restricts many people from buying it. Saudi Arabia is the biggest buyer of Basmati rice and now Iran is buying equally big quantities. Iraq, too, is increasing its consumption of Indian Basmati rice year by year. The domestic market is witnessing a shift to branded and high quality Basmati rice, which is creating a growing demand for this premium product.

**Isn't the market for rice crowded with multiple players and brands? How would you describe the rice business in India?**

The scenario in the Indian rice market today is quite different. There are very few renowned and quality brands in the rice industry at present. A larger share of rice is being sold in brands that are not strategic players in the industry. In recent years, the rice industry has gone through a rough phase. We are of the opinion that there is a space for good players to establish themselves in the domestic rice market. What is challenging in the Indian market for Basmati rice is that consumers are very price sensitive. This leads to decreased brand loyalty. This is the reason, a bunch of brands keep coming and winding up on regular intervals.

**On the topic of challenges, what are the biggest concerns?**

The highly fluctuating prices pose a big challenge for Indian Basmati rice Industry. There is no consistent growth in the prices and the fluctuation can be as high as 100% and even more. In the International market, the buyer is not able to absorb and recover this high price volatility from the end

**We are dealing with a highly sensitive and quality-conscious consumer base that demands perfection in each and every aspect of product, including looks, hygiene, taste, purity, packaging and presentation.**





**AL MAHA TEAM**  
The focus on quality management systems and continual improvement in multiple processes keeps the company ahead of the curve.



**In 1995, the annual production of final Basmati rice (full length grain) was around 600,000 MT. With continuous R&D, scientific innovation, efforts of farmers, the annual production today is at 5-6 million MT.**

consumer. Attempts at striking a price balance have turned out to be tricky and risky.

Rice being an agricultural product, exporters need to procure paddy during the season to meet their requirements until the next season. If prices keep fluctuating, it turns out to be a big challenge. Another issue relates to pesticide residue that is traced in Basmati rice. Pesticide residue is turning out to be the biggest challenge of the day for Basmati trade in the European market. We are trying to get rid of this situation by educating farmers at the grass root level.

**How has the Indian Basmati rice industry grown over the years?**

The Indian Basmati rice industry has been growing continuously over past 20 years. Basmati rice is unique in its features, taste and aroma and it cannot be grown anywhere else in the world except in the Himalayan foothills. In 1995, the annual production of final Basmati rice (full length grain) was around 600,000 MT. With continuous R&D, scientific innovation, efforts of farmers, the annual production today is at 5-6 million MT. The industry has been continuously putting in efforts to maintain and increase the demand and also increase the export of Basmati rice which, in turn, generates good business

for the country, brings in foreign currency as well as revenue for the industry and farmers.

Apart from quantitative growth, the industry has witnessed a sea change in the processing techniques. Modern high tech and state-of-the-art rice machinery is being used today, which yields the highest quality rice with a good appearance and finish to the final Basmati rice. In recent years, the industry has been working upon reducing the ageing period of Basmati rice and has come up with steam rice, which has gained worldwide acceptance. With good cooking results and without any need of ageing compared to raw rice that requires more than a year of ageing, steam Basmati rice is fast gaining consumer acceptance.

**Looking back to your association with the industry, what do you feel have been the high points?**

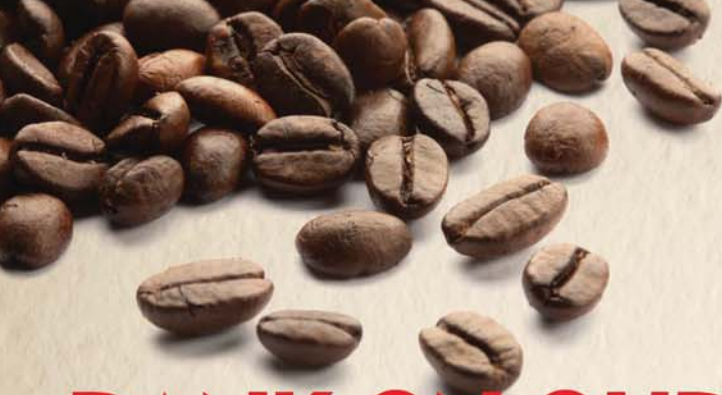
We have seen spectacular changes in the industry during our 20 years of operations. We would term this as the golden era for Basmati with many notable accomplishments:

- Increase in production by 1,000%
- Scientists coming up with very successful grains as a result of constant research and development
- Increase in market share globally with enhanced liking for this wonder grain
- Lots of learning, business opportunities, sharing and growth of the overall market size

Also, as a company, Al Maha Foods is celebrating 20 years of “legacy of quality and pursuit of excellence”. We feel satisfied that we are moving in the right direction towards the accomplishment of our mission. Now, it is time to continue with the same attitude and look for further improvements as and when required by the market and in step with the new developments worldwide. **PG**







SINCE  
1949

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**

# Fresh Frenzy

Strategic merchandising and dazzling displays position grocers for a profitable summer in produce.

By Jennifer Strailey



**A HEAD FOR BUSINESS**  
Robbie Sigona promotes Pescadero Growers lettuce in the Sigona's Farmers Market newsletter.

**F**rom family-owned operations to national chains, grocers from coast to coast are heading into summer armed with merchandising strategies and new products designed to spur record sales of fresh produce.

Through attention-grabbing displays, informative signage, colorful packaging, tempting recipes and an emphasis on locally grown, grocers and suppliers alike are creating new excitement for summertime meals and snacks featuring fruits and veggies.



At Harps Foods, an 87-store supermarket chain based in Springfield, Ark., signage plays a critical role in all produce promotions, including the Produce for Kids campaign. Produce for Kids is an Orlando, Fla.-based cause marketing organization that partners with produce suppliers to raise money for charities that support children and their families. In January, Harps became the first retailer to commit to a year-long Produce for Kids campaign.

"The Produce for Kids promotion has been very successful, and we've received a lot of positive feedback," says Mike Roberts, produce merchandiser for Harps. In addition to large in-store signage, the grocer uses wobblers provided by the organization to designate items that give back to kids. Harps also devotes a section in each of its ads to Produce for Kids-sponsored items.

Last month marked the kickoff of Produce for Kids retail campaigns in more than 2,000 stores across 28 states. The campaign includes the addition of more than 50 seasonal recipes to [produceforkids.com](http://produceforkids.com).

Locally grown produce promotions, touted through in-store signage, are also tremendously successful at Harps Foods. "We do a big month-long promotion with Arkansas tomatoes and build huge displays," Roberts says. "It really kind of sells itself."

From May through the end of August, Harps offers 20 percent off locally grown produce on Saturdays. "We started the promotion to combat the farmers' markets, and we've had a great response, he says. Where possible, Harps builds secondary Locally Grown Saturday displays under tents on "the front porch" of its stores. Additionally, Harps runs one or two completely locally grown ads each summer.

"Locally grown is a huge part of our sales in the summer," adds Roberts. "It's a big draw to many customers, especially the younger Millennial generation."

## Local Success Story

Locally grown produce is also essential to the bottom line at Sigona's Farmers Market, so much so that the two-store, family-owned grocer in Northern California recently created a marketing team to better promote locally grown produce and other products throughout its stores.

“We were buying from local farms back in the ’70s. It’s something we’ve always done, but now we realize we need to do a better job of marketing it,” says Store Director and Produce Buyer Robbie Sigona, whose father and uncle founded the store in 1975. “It’s the best way to do business, and it’s extremely important to our customers who come here specifically to buy local produce in the spring, summer and fall.”

The marketing team eliminated the grocer’s paper circular in favor of an e-newsletter that’s sent to 10,000 customers weekly. Each week the email promotes a different giveaway to customers who spend \$30 or more in the store. A recent giveaway of local Pescadero Growers lettuce elicited a phenomenal response. “We went through 90 cases in seven days,” recalls Sigona, who typically sees a 20 percent sales lift on products that were giveaway items.

Pescadero Growers is the first certified grower for the Seattle-based hydroponic technology company Suncrest USA Inc. In response to the growing demand for local produce, Suncrest Founder and CEO Jim Day recently launched Suncrest in parallel with the Pescadero Growers brand.

“The opportunity to get local Bibb lettuce in the middle of winter was really exciting,” Sigona says of the Pescadero Growers brand lettuce.

“The objective is to create a local brand in every single market,” notes Day. Suncrest offers a turnkey program that licenses its hydroponic technology to growers, who then become the exclusive growers in their respective regions.

Recently, Suncrest developed a second dual brand, Whidbey Growers, with its certified grower in the Seattle market. “We hope to be in two more major markets with new brands in the next one to two years,” adds Day.

### Recipe for Success

According to market researchers at Chicago-based Mintel, 45 percent of Americans over the age of 18 are now considered “Cooking Enthusiasts,” or adults who cook from scratch multiple times a week.

With nearly half of the adult population ripe for the recipe pitching, industry organizations, suppliers and grocers are embarking on innovative campaigns designed to entice Americans to consume more produce in new and exciting ways.

The U.S. Highbush Blueberry Council (USHBC), which funds national promotions to drive consumer demand, launched “The Blueberry Life” summer campaign last month. The campaign, which runs through mid-September, focuses on recipes that deliver simplicity, convenience and nutrition.

Recipes can provide a theme for secondary displays and cross-merchandising.

“In recent years, Walmart, Sam’s Club, Ahold, Wegmans, Safeway and a number of other, smaller



retailers have added rolling refrigerated cases as secondary displays for berries, which has increased space allocation,” observes Mark Villata, executive director of Folsom, Calif.-based USHBC. “The trend among those looking to capture additional sales has been toward adding refrigerated displays, both inside the produce department and in other sections of the store, to take advantage of cross-merchandising opportunities.”

It’s also important to encourage trial of blueberries with in-store demos, adds Villata. “According to a recent report, 81 percent of shoppers have purchased an item on impulse after experiencing a product demo,” he adds.

The National Mango Board (NMB), in Orlando, Fla., is also hoping to romance consumers with recipes. It recently teamed with new spokeswoman Ayesha Curry, star of the Food Network’s “Ayesha’s Home Kitchen” and author of The New York Times bestselling cookbook “The Seasoned Life.” Grocers are invited to use Curry’s recipes through their websites and social channels.

“Retailers can also create more engagement by calling out the recipe at the store and grouping ingredients together,” urges NMB spokeswoman Angela Serna.

Recipes and cross-merchandising are also top of mind with the table grape suppliers at Columbine Vineyards, in Delano, Calif.

“Columbine Vineyards is always willing to work with retailers to optimize their grape display in the produce department through additional displays and point-of-purchase materials like display bins and recipe cards,” says Lauren McNinch, sales support lead.

Offering attractive recipe cards for dishes like apple pie with CoVi grapes, the supplier works with retailers to cross-merchandise its product with other produce items featured on the cards.

“Locally grown is a huge part of our sales in the summer.”

— Mike Roberts  
Harps Foods



**Packaged Trends**

As convenience remains king in produce, suppliers continue to innovate and grocers seek fresh ways to promote meal-ready and on-the-go packaged fruits and veggies.

“One of the biggest trends in packaged produce is the idea of convenient, portable fresh fruit and vegetables as a snack option,” asserts Bil Goldfield, director of corporate communications for the Dole Food Co., in Westlake Village, Calif. “According to research, fresh fruit remains America’s top snack choice during the day, and consumers are looking for ways to enjoy fresh fruit on the go.”

To meet the growing demand for convenient fresh-produce snacks, Dole launched Go Berries!, a proprietary snack pack featuring three snap-off clamshells, each containing 4 ounces of fresh Dole Strawberries. The clamshells are ventilated for freshness and easy rinsing.



“  
It’s no secret that colors evoke emotions and influence purchasing decisions.

— Jacob Shafer  
Mann Packing Co.

This summer, Dole is appealing to kids and their families through its collaboration with Disney Consumer Products and Interactive Media. The multiyear collaboration, which began May 25, features a Fuel-Up with Dole summer campaign tie-in with Disney Pixar’s “Cars 3,” in theaters June 16. The four-month program will feature on-product and in-store messaging, character-inspired recipes, digital integrations, events, and promotions.

“Beyond marketing campaigns and in-store events, a lot of summer produce sales can be driven by in-store merchandising, and often outside of the produce section,” notes Goldfield. “We continually encourage our retailers to place secondary displays near checkout, offering items like single-serve bananas.”

“Today’s consumers are looking for convenient, innovative packaging that satisfies their snacking needs and fits into their busy lifestyles,” agrees Dionysios Christou, VP of marketing for Del Monte Fresh Produce N.A. Inc., in Coral Gables, Fla.

In response to this recent trend, Del Monte Fresh Produce has developed nonspill containers, resealable bags and packaging that fits in cars’ cup holders.



The company also recently developed new packaging for its Del Monte Fresh Cut Grab-N-Go and Smoothie Kit lines. The products come in tamper-evident packaging with large, clear nutritional panels that show off the contents inside. Further, Del Monte has introduced new packaging for its Bon Bon grape tomatoes, which now come in a grab-and-go 5.5-ounce cup and a patented resealable snacking bag.

“We have seen tremendous growth for our pre-cut, conveniently packed fruit and vegetable products,” observes Christou.

“Portability and convenience continue to be important attributes for consumers when it comes to packaging,” agrees Krista Jones, director of brand marketing and product innovation for Cashmere, Wash.-based Crunch Pak. “Shoppers want to see fresh produce clearly and understand how to use the contents.”

With this in mind, Crunch Pak recently launched Apple Rings, slices of round circles of fresh apples with the cores removed. Available in three varieties, the apples come in innovative breathable packaging.

Crunch Pak also recently introduced pre-sliced, portioned apple snacks in 10-ounce breathable stand-up film bags with characters from “Star Wars” and “Dory.” Additional multipack bags will be available for the back-to-school season.

**Colorful Creations**

“It’s no secret that colors evoke emotions and influence purchasing decisions,” says Jacob Shafer, senior marketing and communications specialist for Mann Packing Co., in Salinas, Calif. “Color has always been one of the most important choices when designing packaging, and it seems that, especially in summer, bright colors and vibrant graphics are showing up on store shelves.”

In keeping with that observation, Mann’s will introduce new Summer Fun seasonal graphics for its 16.5-ounce and 40-ounce vegetable trays.

Mann’s uses color to differentiate variations within its product families. “A consumer may not remember the name of their favorite flavor,” Shafer says, “but they are usually able to recall the color of the packaging.” PG

For more about summer produce, visit [progressivegrocer.com/summerproduce](http://progressivegrocer.com/summerproduce).



*The taste  
you can't resist!*

**TASTILO**  
NACHO CHIPS

MADE FROM **NON-GMO CORN**

**ZERO CHOLESTEROL**

**ZERO TRANS FAT**

**NO MSG**



**SRI SHANDAR SNACKS PVT. LTD.,**

Plot no. 2 & 3, IDEB Industrial Estate, Mahuakhera Gunj, Kashipur,  
U. S. Nagar-244713, Uttarakhand. India • E-mail.: [srishandarsnacks@gmail.com](mailto:srishandarsnacks@gmail.com)

W.: [www.tastilo.com](http://www.tastilo.com) [www.facebook.com/tastilo.in](https://www.facebook.com/tastilo.in)

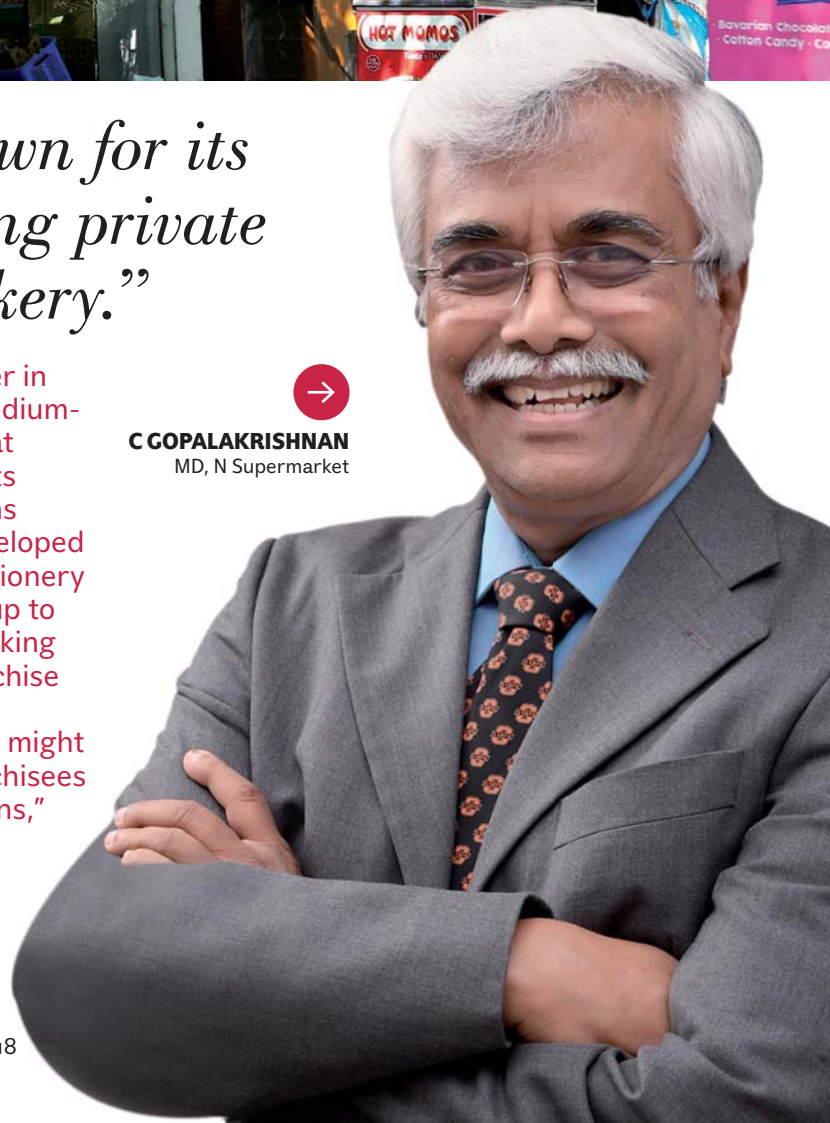


*“N Supermarket is known for its fresh products and strong private label in staples and bakery.”*

N Supermarket is an established regional retailer in Karnataka and Tamil Nadu well known for its medium-sized neighborhood food and grocery stores that specialize in providing fresh and quality products at a reasonable price. With total retail operations spanning 20,000 sq. ft., N Supermarket has developed a strong private label in staples, bakery, confectionery and dairy products, which together contribute up to 15 per cent of its overall sales. The retailer is looking to expand its footprint and has chosen the franchise route for expansion. “Should we find interested partners who agree with our line of thinking, we might go for a rapid roll-out and appoint Master Franchisees for powering the future growth in newer locations,” says C. Gopalakrishnan, Managing Director.

**By Sanjay Kumar**

  
**C GOPALAKRISHNAN**  
 MD, N Supermarket



**Let us have a brief overview of your store chain, the eventful milestones in its development and a sketch of its growth and evolution over the years.**

When I failed to convince my family members to part with the 104-year-old Nilgiri's store business, I decided to start on my own again. I made a new beginning by establishing a new brand "N Dairy Farm". The idea behind the venture was to set up a manufacturing unit for bakery, confectionery, staples and snacks in my village, which could also provide employment opportunities to the villagers. Though training the village folk was costly, it was worth the money. After establishing the production centre and contributing to the economic growth of the village, we then went about concentrating on creating the front-end. It led to the birth of our retail format N Supermarket.

Over the years, the growth of N Supermarket has been slow but sure. Today, there are seven N Supermarkets in operation – all in Bangalore and Tamil Nadu. We are in the process of adding two

Nilgiris supermarket – at Jayanagar in Bangalore. Reminiscing about our initial investments, and to restore the legacy which I started, last year I was able to purchase the store back and change the same to N Supermarket. It was a satisfying moment for me to get the store back in our fold.

**What is the range of products at your store and which of these are the fastest moving? What kind of people frequent your stores and in which age group?**

N Supermarket stocks and sells 22 categories of products and 75% of these are food related. Apart from the FMCG group products, our private label bakery, confectionery, staples and dairy products are always in good demand. People who are looking for convenience, courteous service, and availability of quality and freshness of product at a reasonable price frequent our outlet. Typically, the customer base comprises middle and middle-top income groups who are quality conscious.

**Over the years, the growth of N Supermarket has been slow but sure. Today, there are seven N Supermarkets in operation – all in Bangalore and Tamil Nadu. We are in the process of adding two new stores by September 2018 and a few more by the year end.**



new stores by September 2018 and a few more by the year end.

Our family tradition has always been to serve quality products at a reasonable price, which is the foundation for any business to gain its reputation. The business ethos at N Supermarket is "Our quality blends with tradition" and it is a credo that we are proud of carrying forward.

**If you were to recall one of the most memorable and cherished moment in the past year's annals of your retail business, what would that be?**

I had started the franchise division of Nilgiris Group beginning with the first franchise –

**What is the price range for products at your stores? Which price band is the most popular with customers?**

The price range extends from Rs. 5 to Rs. 1,000. The Rs. 50-200 price band is most popular with our customers.

**What is the location strategy for your stores? Which locations do you prefer and what part do they play in your store sales?**

The establishment must be in a commercial/semi commercial location with a floating population and it should be close to a residential area. Apart from quality products, service, location and parking area play a very vital role in the success of a store. We



## N SUPERMARKET AT A GLANCE

- Retailer/ Brand Name: N Super Market
- Launch Year: 2009
- Parent Company: N Dairy Farm Pvt. Ltd.
- Company Headquarters: Bangalore
- Retail Format: Food Specialty Supermarket
- Number of Stores: 7
- Distribution of Stores: 2 in Bangalore and 5 in Tamil Nadu
- Average Size of Stores: 2,500 sq. ft.
- Total Retail Area: 20,000 sq. ft.
- Operating Structure of Stores: Stores are rented
- SKU Count in Store: About 10,000
- Average Daily Footfall: 300 to 400 visitors per store
- Average Bill Size/ Transaction: Rs. 350
- Average Monthly Turnover: Rs. 30 lakh per store
- Same Store Sales Growth: 3-4%
- Strength of Supplier Base: Over 2,500
- Catchment of Stores: Around a 2 km radius

**The best marketing approach for a food retailing outlet is to provide quality products at a reasonable price and the customers are the best promoters of your store. We mainly focus on word-of-mouth advertising.**

ensure that all our stores are equipped with these customer-friendly attributes. We go for standalone stores in residential and semi-commercial areas with a good floating population.

### What is the marketing positioning of your outlets?

N Supermarkets are food specialty stores known for fresh products' availability and with a strong private label department that offers quality products in staples and bakery.

### What is your marketing strategy and what steps have you taken to promote your stores?

The best marketing approach for a food retailing outlet is to provide quality products at a reasonable price and the customers are the best promoters of your store. We mainly focus on word-of-mouth advertising.

### Tell us about your private label products, which are the categories with your private labels, how much do they contribute to your sales and your strategy for expanding them.

We have private labels in staples, bakery, confectionery and dairy products. Together, they contribute up to 15% of outlet sales. Over time, we will keep adding newer products in the private label category, which is our strategy.

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

While strict quality control systems are in place at the receiving section, we review and cross-check periodically so that the systems are being followed in accordance with new concepts adopted by the manufactures/distributors. It is advisable to have more than one vendor for any product. Our current

supplier base is mainly from South India – Chennai, Bangalore, Coimbatore, Mumbai and some from North India.

### Are there any interesting concepts or innovations you have introduced at your stores? Please give details.

We are going to introduce creative planogramming and redesign the fresh produce section in our new stores for the convenience of our customers. These measures will also help in loss prevention.

### What customer service initiatives have you put in place in your stores?

Apart from courteous service of the staff at the supermarket, we also offer home delivery service. We are in the process of setting up an online channel as well. Besides that, we are putting in place a system of rewarding our frequent customers with the privilege of 'self-checkout'.





# 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 22,125 Pincodes** of India.



Call: 1800 113 113

[info@safexpress.com](mailto:info@safexpress.com)

[www.safexpress.com](http://www.safexpress.com)

**Distribution Redefined**

**What steps have you taken to strengthen your supply chain?**

My father, M. Chenniappan, started the Nilgiris (Dairy division) in the year 1964 at Vandipalayam in Erode. After the sale of our family business (Nilgiris), the new owner dismantled the infrastructure and village folk who supplied milk had to find alternative customers and a few started dairy businesses on their own. Having been loyal to our family, they always wanted to continue the relationship and now I have been able to source some of the dairy products again from them.



→ FROM INDIA WITH LOVE: OKMULGEE COOKIES TO THE US



In 1968, Chenniappan Gopalakrishnan left Bangalore to enroll for a specialized refrigeration course at OSUIT in Okmulgee, Oklahoma, USA. He graduated in 1971 with a degree from the Air Conditioning and Refrigeration program from Okmulgee Technical School. During his stay in Okmulgee, he made many friends one of which was Mae Arterbury who on occasion made him delicious oatmeal cookies. After graduation, he returned to India and worked with his father and brothers, starting the first chain and franchise of grocery stores in India – Nilgiris! Since that time, Gopal has found success in many business ventures throughout India, including a new supermarket/ bakery/ cafe chain called The N Supermarket.

Recently, Gopal added a new oatmeal cookie line to his bakeries in India and decided to name it after the small Oklahoma town where he first tasted an oatmeal cookie and where he learnt many of the skills that made him the success that he is today. "I fondly remember being treated to very tasty oatmeal cookies during my stay in Okmulgee. To rekindle those fond memories, I started making these cookies in India and exported them back to the US under the name Okmulgee where they have become quite popular. We have been receiving repeated orders from the US and make regular shipments there," he says. Today, the "Okmulgee Caramel Oat Cookie" is marketed throughout India after making itself big in the US market.

**How would you describe your strengths and achievements?**

We have successfully launched quality N brand products in the bakery, confectionery, chocolates and private label items, and our quality staples and spices, which are cleaned and graded, are doing extremely well in the market. We have also been successful in getting good franchisees at ideal locations which will further enhance our business journey. The consumer acceptance of our products is extremely high. So much so that customers have asked us to supply to the canteens of educational institutions where their children are studying. The appreciation of quality by customers is our greatest strength. Small bakeries are also picking up our products for their private labeling.

**Please share some key learnings that you have gleaned over the years in this business?**

As the saying goes: "You can please some of the people all of the time, you can please all of the people some of the time, but you can't please all of the people all of the time". This applies to customers, employees and business partners. It is difficult to find people who are passionate in their chosen fields of work. The best policy is to know your employees, have regular interactions with them, acknowledge their skills, and guide them towards continuous self-improvement. We provide proper training for our staff and encourage product knowledge.

**What is your roadmap for the future and how do you look at the future potential of your store format?**

We want to be a neighborhood food specialty store serving quality products and offering the best service to our customers. Sticking to this proposition will ensure that the potential of this format will keep growing in the future. **PG**

# HIMALAYAN SALT CARMEL POPCORN

*Heartcrafted  
Perfection*

A  
PVR  
PRODUCT



4700  
BC

*Gourmet  
popcorn*



Order Online Now!  
All India Delivery



Gourmet Helpline  
+91 9911470022



[www.4700BCPopcorn.com](http://www.4700BCPopcorn.com)

Order Online from **amazon** or Grab it from a **Retail Store** near you

# Technology: Knight in shining armour for retail businesses

With the increasing globalization of retailing, both in terms of points-of-sale and points-of-supply, the use of information technology in the retail sector is unquestionable. A good technology platform is indispensable to manage the complete supply chain and helps avert leakages at various touch points, right from the big brand, the retailer or distributor to the end consumer. Smaller retailers can't afford to neglect the usage of technology and must respond to the evolving marketplace with enhanced speed and flexibility.

By Desi Valli

**Technological platforms have a horizontal communication model where each leg of the retail value chain interacts freely with the other, resulting in an enhanced transparency quotient in retail business.**

**T**he Indian retail industry is considered one of the fastest growing industries in the world and technology has emerged as a helping hand to the industry. India is expected to become the world's third-largest consumer economy, reaching US\$ 400 billion in consumption by 2025, according to a study by Boston Consulting Group. By 2018, the Indian retail sector is likely to grow at a CAGR of 13 per cent to reach US\$ 950 billion, as per the IBEF report.

## Retail business and technological interventions

Retailers today are not fighting with retailers anymore; instead they're fighting with different technological interventions in order to be the most competitive in the world. A good technological intervention is no less than a magic wand. It facilitates a retail player with entire supply chain information- details of inventory, information about

problems faced by distributors and vendors, and shares customer feedback as well.

One really needs to be wise enough to choose a nice connect-promote-transact platform, where all handlers of the retail industry, right from manufacturers to the last mile consumers, can connect together, engage directly and transact via a dynamic platform.

Giant players of the retail industry have accepted technology with arms wide open to captivate and secure customers and have made optimum use of technology to optimize their business. Whereas small retailers, most of them belonging to the unorganized sector, are yet to adopt technology to be adept with the changes and technological innovations taking place in the retail market. If the entire unorganized retail trade, which is 80% of the entire retail trade, adopts technology, the retail industry will usher in a new era providing a much needed thrust to the Indian economy. Technology is





the knight on the white horse that will ride the retail market towards prosperity and triumph.

### Opportunity for small retailers

The ballooning of e-commerce and the initiation of mobile commerce have lifted the stakes of small and unorganized enterprises and they feel threatened. Small retailers should take this as an opportunity rather than a challenge to optimize their businesses. Small retailers should now upgrade their technology according to the evolving marketplace through enhanced speed and flexibility. In order to survive, small players need defined marketing channels, and here, technology acts as a powerful medium.

The biggest effect of technology is on customer outreach. Now, customer experience is no longer limited to browsing or buying certain goods in physical shops. It extends to an end-to-end journey, commencing with the customer researching the products on the web, coming into a shop or ordering online to buy and continuing well after the purchase has been finalized with feedback.

Customers leave bits of information that some retailers tend to ignore but employing a good retail tech platform helps avert leakages in the entire supply chain, right from the big brand to retailer, distributor, to end consumers.

Some technologies have a horizontal communication model where each leg of the retail value chain interacts freely with the other, resulting in an enhanced transparency quotient in retail business. Lately, such technological platforms offer services which allow users to get refills and make orders to collect, as well as look at deals in store, sending coupons to your app to encourage visiting a store and redeeming them.

### Retail-engagement platforms

Technology, if amalgamated with the intervention of retail-engagement platforms, has the potential to reduce costs, improve efficiency, expand markets and increase customer satisfaction, making the business and partnership a productive venture.

Everyone knows that online retail needs offline presence too, to serve the consumers comprehensively and facilitate communications across channels. Thus, smaller retailers' combined prowess will only force big players to up their game in the coming times. **PG**



**Desi Valli, Founder and CEO, Netree has been a prominent figure in establishing the world's first socio-retail engagement platform with an aim to connect, promote and transact businesses in the retail network directly with the consumer.**







# Milk Choco Coin



## Milk Choco. That Melts in your Mouth!




**Institutional & Corporate Gifting Order accepted**



**Our other Range**



**AVAILABLE AT ALL LEADING STORES & ONLINE STORES**



PEE PEE APPLIANCES PVT. LTD., (Food Products Division)  
 New No. 47, Old No. 22, Medavakkam Tank Road, Ayanavaram, Chennai - 600 012.  
 India. Mob.: +91 90030 40235, +91 99401 22855, +91 8939 888 908, +91 8939 888 909.  
 Email: gopi.tr@ppappliances.com / sales@ppappliances.com

**www.jumboglobal.com | www.naturenature.com**



# Easy Sell

Supply chain executives will soon have a new resource to help them better manage unsaleable products.



By Jenny McTaggart

“Cooperation between retailers and manufacturers needs to take place with a different function.”

— Daniel Triot  
Trading Partner Alliance

**D**ented soup cans, expired salad dressing and discontinued candy bars certainly aren't supermarket sex symbols — but they're the stars of a new educational tool being developed by the Food Marketing Institute/Grocery Manufacturers Association Trading Partner Alliance (TPA), with the help of supply chain services provider CHEP.

Officially known as “unsaleable consumer goods,” these misfit products aren't a new problem, but up until now, much of the industry's focus has been on accounting for them, instead of finding ways to reduce them. One highly cited figure from a 2008 Deloitte study estimated that unsaleables cost the industry at least \$15 billion annually.

With the new online educational platform, which was unveiled earlier this year and is expected to go live in the fall, TPA and CHEP hope to create a centralized resource for employees across all areas of the industry, encompassing various supply chain functions, to learn the basics of what unsaleables are — the different types and key drivers — as well as best practices that can lead to their reduction.

“Not only are unsaleables a large problem, they're a persistent problem,” notes Ben Eugrin, director of supply chain solutions, North America, for Atlanta-based CHEP, the research partner helping TPA's Joint Industry Unsaleables Leadership Team. “While there's been a lot of work done in the past several decades, with this initiative, we're taking a look at how to reduce the amount of unsaleables in all categories, including expired, discontinued and damaged.”

The platform will be particularly useful for people who are new to the industry, he observes.

“A large number of people are retiring or moving on to new roles in their companies,” explains Eugrin, “so we hope to enable new people to get onboarded and understand the process so that they can have an impact, and enable them to get their organizations, as well as their partner organizations, up to speed.”

In addition, the platform's launch will serve as an important tool to help suppliers and retailers better work together in combating unsaleables, according to Daniel Triot, senior director of TPA. After all, unsaleables don't fall into one specific department or function, at either the manufacturer or retail level.

“One of the challenges with unsaleables is that they aren't necessarily captured in the same function,” says Triot. “If you look at discontinued products, for example, which may become unsaleable, that responsibility really falls under the buyer, the category manager. But if it's a product with physical damage or an expired item, that would fall under the logistics or supply chain operations person at the retailer, and the same goes for the manufacturer. So at the end of the day, cooperation between retailers and manufacturers needs to take place with a different function.”

### 3 Top Solutions

CHEP's research, which included in-depth interviews with retailer and manufacturer supply chain experts, identified 48 strategies being used to reduce unsaleable goods and generate cost savings. The strategies represented multiple functions, including warehousing, shipping and receiving, sales, merchandising, and reverse logistics. The only categories that weren't included were fresh produce, fresh meat and direct store delivery (although Triot notes that he'd love to include research on fresh categories in the future).



CHEP presented its research during TPA's annual Supply Chain Conference in May, and highlighted what research participants ranked as the three most effective solutions: enhanced shelf-life management, effective management of discontinued items, and sharing of UPC-level data. CHEP's Eugrin and Mike Boersig, manager, supply chain solutions, were joined by Rob Shifter, Nestlé supply chain manager; Greg Riggs, SpartanNash senior supply chain analyst; and Ted Lechner, H-E-B senior reverse logistics leader, to discuss these solutions.

The first solution, managing shelf life throughout the supply chain, includes understanding how much shelf life is left and managing that in your data streams and the way you manage your inventory, explains Eugrin.

Adds Boersig: "Factoring in the shelf life at the time of sale and the time of shipment is one of the big ones that was thought to have a high impact. Both retailers and manufacturers agreed that that has a high impact. But the manufacturers thought that they were using that practice a little more than the retailers thought they were using that practice."

Boersig, who oversaw the research, says he

purposely structured the study to uncover differences in perception among retailers and manufacturers, as well as which strategies were viewed as being used most frequently.

As Eugrin observes, "This points to an incredible opportunity to increase collaboration and work on this together, which is probably the most important key theme we found and something we tried to highlight during our presentation at the conference."

The second-leading best practice, which also requires good communication between all trading partners, is the effective management of discontinued items. During the presentation, SpartanNash's Riggs urged companies to take a more strategic approach, ensuring that all of their systems are updated to reflect discontinuation changes and employing a markdown schedule with discounts.

Last but not least, H-E-B's Lechner talked about using UPC-level data to reduce unsaleables. Among his suggestions to retailers were to "utilize robust systems to collect UPC-level unsaleables, share data with suppliers, hold high-damage items for review by the supplier and packaging team, support reclaim audits, and review internal handling practices."

### A 'Living Document'

Once the educational platform is unveiled in the fall, users will find a plethora of data, including an overall definition of unsaleables, a glossary of terms, and a further discussion of best practices. It will also feature a prioritization graph, as well as a white paper on "Unsaleables 101."

Ultimately, this will be a "living document," points out Eugrin. "Everyone will have the ability to contribute and add to it as we move forward."

The content will go beyond a digital platform, adds Triot. "We're thinking of the word 'platform' not only as a website, but also as documents that people can download, along with webinars and educational sessions," he says, going on to note, "As part of education, we want to raise the awareness of what we're working on, and also get more people to contribute more to what we're doing."

If the initial response to the topic during the TPA conference is any indication, many folks in the industry will be eager to get on board with collaborative efforts to tackle unsaleables. "We noticed a lot of interaction during our presentation — a lot of people wanted to talk to their trading partners about this, especially how to work with some of their smaller suppliers," says Eugrin. "It was a huge win for the effort, and that's really what we wanted to get out of this." **PG**



“  
We're taking a look at how to reduce the amount of unsaleables in all categories, including expired, discontinued and damaged.

— Ben Eugrin  
CHEP

For the latest industry perspective regarding onshelf availability, visit [progressivegrocer.com/onshelfavailability](http://progressivegrocer.com/onshelfavailability).





# Global Food Safety Concerns and Indian Trade

Food testing and quality analysis giant Mérieux NutriSciences India recently launched its Blue Paper<sup>18</sup> titled “European Food Safety Trends, Key Issues & Perspectives” which aims at helping manufacturers and exporters with a better understanding of food-related health issues and an enhanced ability to spot future food safety hazards. In a conversation with Progressive Grocer India, Philippe Sans, President and Global CEO, Mérieux NutriSciences, shares his views on trends in the food safety and quality market and improved regulatory measures.

By Nimisha Gautam

## Tell us about your company’s operations and its motivation in coming out with a food safety report?

Food crisis actuality is pushing all of us into a mode of rapid and targeted action planning. Having a mid term and long term vision of emerging issues is critical in determining proper strategies and control measures along the food chain. Mérieux NutriSciences has access to multiple resources and our global expert network is constantly “digesting” a huge amount of information on a daily basis. It became obvious that we had to launch this Blue Paper initiative in order to help our customers and stakeholders have a better understanding of food-related health issues and an enhanced vision of future challenges.

## Which have been the most noticeable food safety regulations in Europe in recent years with maximum impact on consumer health and wellness?

The trend in food safety regulations is an integrated system that started in 2005 with the so called “Hygiene package”. The key words are: independent risk assessment (EFSA), food operators’ responsibility, traceability and science-based regulations under the HACCP umbrella. While targeted limits have been defined for many contaminants (pesticides, heavy metals, targeted microbiological criteria), other parameters are under scrutiny. With no binding limits, it is the responsibility of food operators to put specific control plans in place. In addition to that, key regulations have been recently enforced on nutrition labeling to protect consumer health and to help end users make an informed choice. Consideration is also given to emerging risks such as endocrine disruptors (from packaging material) and the use of ingredients in nano size (nanomaterials).



PHILIPPE SANS

President and Global CEO,  
Mérieux NutriSciences



### What steps have been taken by regulatory authorities in Europe to prevent the recurrence of food fraud incidents in the future?

Europe is supporting multiple initiatives including the centralization of relevant data and launch of research projects. Some weeks ago, the European Commission announced the launch of the Knowledge Center for Food Fraud and Quality consisting of experts in and outside the commission, aimed at supporting EU policy makers and national authorities by collecting and sharing up-to-date scientific knowledge on food fraud and food quality issues. By coordinating market surveillance activities, operating an early warning and information system and generating country-specific knowledge, it will help apply and enforce food and consumer protection laws. With the globalization of the food supply chain and several large scandals of food fraud and unfair commercial practices, increased attention has been given to this issue. The farm to fork approach now integrates this risk and Mérieux NutriSciences participates in multiple initiatives in relation to it (for e.g. EU research projects and ILSI initiatives).

### How proactive are food companies in Europe in enacting higher levels of compliance and self regulation for their food products?

Food safety clearly appears as a non-competitive area and most European food companies consider it an ethical framework to protect consumer health along with their own brand and not just another legal enforcement. The multiplicity of issues (1.410 molecules can potentially be endocrine disrupters!), continuous progress in science and permanent regulatory evolutions are important challenges that the food industry needs to keep up with. That is where Mérieux NutriSciences can support food operators using not only its full range of regulatory services and technical support but also through specific initiatives such as the Blue Paper to point out the key issues of today and tomorrow.

### A majority of cases of food adulteration and contamination happen not at the source but somewhere down the supply chain. How do you think this problem can be fixed and the risk minimized?

The solution is linked to a science-based risk assessment at each level of the food chain. EU regulation clearly states that each food operator should consider specific hazards related to its activities, including the selection of safe and reliable suppliers. A farm to fork approach is the only way to consider multiple hazards. The application of good practices along the food chain is key (good agricultural practices and hygienic practices at the

transportation, logistical and retail/catering stages). Targeted controls and inspection along the food chain verify the effectiveness of the system.

Mérieux NutriSciences experts support the development of adequate control plans, including: suppliers' management programs, environmental monitoring plans to control production facility contamination, and relevant finished product sampling plans.

### Compared to European food safety standards, how would you assess the food safety environment in India?

The convergence of food safety standards at the international level has accelerated over the past 10 years. Alert systems are interconnected, food safety standards are converging under Codex Alimentarius



guidelines and overall global trade is pushing for a unified system with initiatives such as GFSI.

In India, increased awareness of the customers coupled with the rising number of food contamination and food fraud cases conveyed by the media have encouraged the government to put food safety at the heart of its concerns. The Indian government is now relying on a strong regulatory body – the Food Safety Standards Authority of India (FSSAI) – whose task is colossal in standardization of a number of food products. However, a shift in the food industry to adopt a more proactive and risk-based approach towards testing is essential to achieve a higher level of food safety. Slowly but surely, behavior towards food safety evolves and we are on the right track!

### Which areas in the domain of food safety can India emulate and incorporate in its own food regulatory regime?

Beyond food integrity and contamination issues, protection of consumer health needs to integrate other dimensions like nutrition and chronic diseases.

**Mérieux NutriSciences can support food operators using not only its full range of regulatory services and technical support but also through specific initiatives such as the Blue Paper to point out the key issues of today and tomorrow.**



## IN CONVERSATION



**Pankaj Jaiminy**  
Managing Director,  
India



**Renaud Jonquieres**  
Sr. Vice President,  
MEA-ASPAC

### What is the significance of the Blue Paper that was launched? What kind of benefits can be extracted out of this document?

The world is extremely complex and we see increased food exchange, globalization and higher expectations when it comes to food safety. Whether you are an Indian company who wants to export to another continent or you are a western company who wants to source products from India, regulations for your trade change everyday. We see a need to clarify the expectations kept by customers and regulators. The Blue Paper holds specific chapters that address different food categories and corresponding regulations. The good thing about the Blue Paper is the different levels of reading. There is a level of reading for the non-expert to understand what is happening and what people are concerned with in the area of food safety in different countries. This helps build a food operator's food safety strategy. There is also a more technical level of reading where you can find regulations published in the last year, criteria for the same and the methodology to be used to detect deviations from these norms.

### Where are your key testing centres in India and how big are they? Are you planning to open more centres in the coming future?

India is a large country and our factories are spread across it. Every region has its own speciality of product. That leads to a situation where every testing laboratory can't be the same and has to support regional requirements. In this model, we have set up a lab in Mumbai which we have been running for the past eight years. Looking at the future of the Indian food industry and the West, to where we export a variety of products, we're setting up one more centre in

Mumbai next year. We are launching a lab with an area of 35000 sq. ft. This will make it the biggest lab in India dedicated to food safety. Last year, we acquired a company in Bangalore that is now called Merieux NutriScience Pvt. Ltd. We also have a lab in Delhi which we are expanding to a much larger facility by the end of this year. Our strategy of having three labs in the country caters to the western, northern and southern regions.

### Have you come up with any new testing procedures or products that will better serve your clients?

More than products or testing methods, our emphasis is on a new approach to food safety. For example, Merieux NutriSciences has a unique Food Science Centre concept where our services go beyond testing. We want to support the industry in project work and address questions relating to how one can increase the life of a product and how one can make it more stable and more nutritious. The recently launched Food Science Centre in Mumbai provides these kinds of services. With a new building, we're going to further increase the size of the centre. This is a concept that not many third party industry members are onto and we want to bring it to the Indian market.

In the field of food nutrition and philosophy, India is not an island. It is part of a network. We currently have more than 100 labs in 22 different countries. We have the capability to introduce and use the latest and most sensitive technology to align to the function and need of the country we are operating in.

### Do you have any expansion plans overseas or to expand into countries that aren't in your service portfolio right now?

In the Middle East, Africa, and Asia, we are mainly active in China, India, Australia, South Africa, Turkey and Saudi Arabia. We can see a number of regions where there is a need for food safety and more stringent testing. For example, there are a lot of food manufacturing industries in South East Asia, especially Singapore, with specific challenges in the categories of fruits and vegetables, poultry and seafood. There are plenty of areas where we can grow in and work in.

While India sees significant progress in child health and nutrition, obesity is rising and diabetes may affect almost 10% of the population by 2030 according to the International Diabetes Federation. It is essential that regulatory bodies, the food industry and retailers collaborate on long term plans to reverse the current trends and tackle these issues in the future.

### Many food exports from India have been blacklisted by European and US food safety regulators. In this context, how can an agency like yours help Indian exporters make the right choices for different national markets?

Mérieux NutriSciences can support food operators in regulatory and contractual alignment through targeted consulting and internationally recognized testing solutions according to highest quality standards. In a country like India, where food regulations are evolving very fast, delivering training sessions directly on the production sites of manufacturers can help to improve their knowledge and comprehensive understanding of regulatory



requirements. More precisely, with our global network of regulatory experts, we monitor more than 70 countries for food legislation and changes in regulatory requirements everyday. Thus, we provide comprehensive and up-to-date knowledge to facilitate product export, prescribe required control plans to comply with local rules/norms and make labeling validation better. With ISO compliant tests to address European and International markets, USDA/FDA compliant tests for the US market, GB compliant tests for Chinese markets, and all related accreditations, Mérieux NutriSciences is a key strategy partner in commercializing products worldwide. **PG**



# PRAKASH®



**Distributors wanted**

WHOLE SPICES | POWDER SPICES | BLENDED SPICES | INSTANT MIX ITEMS | HERBAL COSMETICS

## PRAKASH SPICES PVT. LTD.

Office : 42, Shivtalla Street, Kolkata - 700 007

Factory : E-115 Mandore Industrial Area, Jodhpur, Rajasthan

+919830698258 | +919830118218

contact@prakashspices.com | prakashspices



The Gold Trophy 2008  
Arch of Europe  
INTERNATIONAL QUALITY AWARD  
FOR QUALITY & TECHNOLOGY





**GAURAV GAMBHIR**  
Founder, Shubh Food



# Leading the Spice Race

Shubh Food Products has carved a name for itself in the past 18 years. Starting off with a simple spice product Asafoetida (hing), the company now boasts of numerous private label products under its belt. Founder Gaurav Gambhir once delivered consignments to small food vendors himself but now oversees a strong bench of trained staff working for him. Progressive Grocer spoke to Gambhir about his company's innovative breakthroughs in the spices and condiments category and what it takes to thrive in this competitive industry.

**Tell us the journey you have undertaken with Shubh Foods.**

I established Shubh Foods way back in 2000 when I was only 19 years. One might say that Shubh and I have grown up together and strong over the years. From humble beginnings – a 300 sq. ft. basic manufacturing premise and a staff of just 2 contractual employees – Shubh today runs a 10,000 sq. ft. factory and plant with over 55 full time staff members. We have received 30% investment from private equity channels whereas 70% of the investment is in my personal capacity. We began by manufacturing and supplying Asafoetida or hing to the local markets.

Shubh now has a broad range of products, including private labels in all forms of high quality hing, and a unique and innovative range of spice mixes under the brand name Tadka Blast. We also have our very own Naya Khazaana hing brand. Shubh is no longer limited to supplying to the local markets. We export to several countries. Within India, our private labeling clients include D-Mart, Reliance, Aditya Birla Group, Walmart, HyperCity and some of India's leading pickle companies.

**The journey from the year 2000 to 2018 and its successes could not have been easy. What are the challenges you faced that make Shubh the strong brand that it is today?**

The biggest challenge we faced was building credibility and establishing trust within an industry that was and remains very rigid. Indian spices have been steady in terms of demand and product features for decades. However, my vision for Shubh was for it to be an innovative player that will help lead the industry into new directions and greater heights. While the business growth was steady in the hing manufacturing and supply vertical, we initially faced challenges such as winning large export orders for hing. Our newer products



such as Tadka Blast also faced initial skepticism within the local market. Being a pioneer and innovator in this industry can be a daunting task!

However, every time we hit a roadblock, we faced it with strong resolve, conviction and a single-minded drive toward excellence. We got our first major export order in 2005. We have constantly invested in improving ourselves. Beginning with installing a mini-chakki at our Bhandup premises in 2008 to the semi-automatic manufacturing plant at Bhiwandi today, Shubh has grown steadily despite all the challenges.

**It must have been a major challenge to win over corporate giants such as Reliance, Aditya Birla Group, D-Mart, and Walmart for your private labeling offering. How did you achieve this?**

I strongly believe that quality of the produce and service is essential for any successful business. Our clients are stalwarts in the Indian retail industry and will associate with a brand only if it is the best. In order to prove that Shubh is the best in the industry not just as a hing manufacturer but also as a manufacturer of other spice products, I let our products speak for themselves.

We are ISO 9001:2008 as well as FSSC 22000 certified - which essentially means we comply with ISO 22000 as well as US FDA standards. Our finished products are sampled by NABL accredited labs. As a testament to our superiority in the industry, Shubh won the National Award for Excellence in Quality and Business. Now, when we approach corporate giants to partner with us, they know Shubh is a name that they can trust and a name that stands for excellence and quality.

**With so many popular brands vying for your private labeling offering, what is Shubh doing to ensure that supply commitments are met?**

Shubh has always focused more on quality but that does not mean that we have ignored quantity! In fact, our history shows that Shubh has always stayed one step ahead of the demand. When I took up a



2,500 sq. ft. factory in 2010, it was not fully utilized until two years after we moved in. Today, we have a 10,000 sq. ft. plant, 55 employees, an automatic packaging system, an in-house testing lab and a committed R&D department. Our infrastructure is capable of meeting potential demand in the future. We are not only ready to meet the growing demands of quality assurance but also make sure that our business model is scalable to meet the potential future demand.

**What does the future hold for Shubh?**

Shubh Foods believes in being prepared for every contingency. We are very protective when it comes to our clients and the well-being of their business. We want our clients to grow with us.

We have been focusing on driving our brand in international markets, particularly in the Middle East. The masses there have fallen in love with our products and clients such as Al Adil (Dubai, UAE) and many more have become regular, happy clients. Our products are also being showcased at international airports across India and people can carry a taste of India wherever they go!

Shubh is planning the next phase of its expansion. We are already building our factory and moving toward 100% utilization of space. As the demand is growing, we are hiring more staff and upgrading our office infrastructure as well. In order to raise product awareness, Shubh is heavily promoting itself through digital and traditional marketing channels as well as social media.

All these measures are aimed at ensuring that we keep delivering the best services and products to our existing clients. 30% stake in the company has been handed over to a group of strong investors who are helping guide the company to reach a turnover of Rs. 100 crore in the next three years. Hopefully, prospective clients will realize the massive business benefit they can attain by teaming up with a partner as reliable and committed to excellence as Shubh. **PG**

**Our infrastructure is capable of meeting potential demand in the future. We are not only ready to meet the growing demands of quality assurance but also make sure our business model is scalable to meet all future challenges.**



# From Dealing in Dairy to More

A company dedicated to delivering high quality products for daily needs, Kutwal Foods Private Limited succeeds in providing an exemplary retail experience through their flagship store brand 'MyUrja'. The self motivated duo of brothers and founders Ram and Prakash Kutwal began operations in 2002. Ram Kutwal speaks to Progressive Grocer about the impressive growth curve the brand has seen, innovative additions made to their vibrant product line and retail outlets, and the importance of ethical business practices in ensuring customer-centric growth and innovation strategy.

“

**Our milk procurement process is controlled entirely by a specialized team that is sensitive toward the needs of the people. We encourage improvement in supplier practices and believe that the products we create for end consumption have to be pure, free of adulteration and of the highest quality.**

— Ram Kutwal  
MD, Kutwal Foods  
Pvt. Ltd.



## Tell us about your company and how it took off in the retail industry.

We constituted Kutwal Foods Private Limited as a company dedicated to delivering only high quality products in the dairy industry. With quality as a one point agenda and ethical business practices as a mandatory rule to follow, the duo decided to launch their own business in 2002. The first few products that the company offered were liquid milk, variants of flavored milk, packaged drinking water and soft drinks. Products like Ghee, Shreekhand and various milk by products soon followed suit and products under our flagship brand 'Urja' became unanimous

with purity, quality and value for money. Within a few months, the brand started enjoying a good recall among its consumers. Currently there are over 77 retail outlets and the number is growing. Integrity, innovation and quality are not mere ideals we work towards, we live them, and we breathe them. These core values are the true essence of how we work and are in every product we offer our customers.

## What does your product range look like and what verticals do you use to sell your goods?

Urja products include milk, ghee, shrikhand, amrakhand, pedha, flavored milk, paneer, curd,

# KUTWAL FOODS: FACT SHEET

- Retailer / Brand Name: My Urja
- Launch year: 2011
- Owing company: Kutwal Foods Pvt. Ltd.
- Company Headquarters: 1st floor, Nanak Niwas, Near Ellora palace, Balaji Nagar Dhanakawadi, Pune-411043
- Key people: Ramdas Kutwal, MD  
Prakash Kutwal, Founder, Chairman
- Retail format of stores: FMCG
- Number of stores in operation: 77 (All over Maharashtra in Pune, Mumbai and other metro cities)
- Average size of stores: 300-500 sq. ft.
- Total retail space under operation: 34,000 sq. ft.
- Operating model -Company owned/ leased/rented: Mixed stores are a few but most stores are on lease.
- SKU count in store: 150
- Average daily / weekly footfall at stores: 200 bills per day, i.e., 1400 pax per week
- Average bill size/transaction: Rs. 90
- Growth in same store sales: 15-20%
- Strength of supplier base: Since we are also the manufacturers, we manage daily supplies to all of our stores. Hence, fresh produce is our core strength.



lassi, masala buttermilk, soda, ice creams, packaged drinking water, cold drinks and fruit drinks. We are one of the biggest manufacturers of flavored milk in PP/glass, bottles/can format in Maharashtra with a fully automatic and ultramodern plant. To sell these products, we have a traditional distribution network of 400 target points spread all across Maharashtra, Karnataka and Goa. In the world of retail, we operate a total of 77 My Urja retail outlets that house all our products under one roof. We started this retail operation in 2011 and strive to expand with every step. Our private label products also sell in other retail operations such as D-mart, Aarey, Star Bazaar, Barista Coffee etc. The R&D department along with the technical team conducts constant research on product development, review and improving existing products.

**All supplies to our outlets come directly from factories and manufacturing units avoiding storage for long durations or transit delays. Customers receive fresh stock only at the retail outlets.**

### What is the price range for products at your stores? What is the typical customer profile?

The price range starts from Rs. 10 and goes up to Rs. 500. Every product is developed after thorough analysis of the market and consumer research, thus aiming to provide healthy and tasty choices at cost-effective prices. The popular price band starts from Rs. 25 and does not go beyond Rs. 45. Frequent visitors at our retail stores include housewives and working women. There is no specific age group that we target through My Urja. The various dairy products we sell are required by people of all age groups.

### What are your strengths and what do you consider your USP?

Our milk procurement process is controlled entirely by a specialised team that is sensitive toward the needs of the people and is constantly engaged in creating innovative products and processes. We encourage improvement in supplier practices





**In the category of dairy products, we see a need for innovation in terms of packaging and utility. A manufacturer needs to think about how the end user will interact with all elements of the product at hand.**

and believe that the products we create for end consumption have to be pure, free of adulteration and of the highest quality. We have our own testing lab that follows stringent methods for quality check according to FSSAI norms. We also have a highly trained man power. Under the special franchisee training program, the staff at our retail stores is trained to offer prompt and quality service to customers, so that buying Urja products also becomes a delightful experience. In addition to covering customer touch points, we have a consistent rate of improvement in our existing products and we review the technology we are using every two years. Lastly, all supplies to our outlets come directly from factories and manufacturing units avoiding storage for long durations or transit delays. Customers receive fresh stock only at the retail outlets. To manage regular and timely supplies, we have our own fleet of 40 plus vehicles.

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

We target locations that are densely populated and that dictate the need of an organized market place for the supply of high-quality daily need products in the category of dairy. Store specifications include a ground floor location and a frontage space of 20 to 15 ft.

**How are your outlets positioned in the market? What marketing strategies are used for promotion?**

My Urja outlets are perceived as neighborhood stores offering good quality at a reasonable price and are meant to serve the common man. It is a customer-

friendly place where anyone can shop for the freshest goods needed on a daily basis. A number of BTL activities are used to promote the brand. Below the line marketing methods include comparatively low cost methods which are targeted towards a specific audience, and the communication is meant to reach directly to the customer.

**What trends and key areas of growth have you observed in the market so far?**

An important aspect of this trade is the increased focus one has to have on providing the best customer service and building a rapport with your end user to establish trust. Along with customer engagement, the experience of the customer in dealing with the brand plays a key role in converting consumers into loyal customers. Cleanliness and hygiene guidelines must be followed at every stage. One key learning when it comes to promotional activities has been that sales can't be increased using only discounting. The marketing mix needs to have a varied approach and must take customer insight into account. In the category of dairy products, we see a need for innovation in terms of packaging and utility. A manufacturer needs to think about how the end user will interact with all elements of the product at hand.

**Are there any interesting concepts or innovations you have introduced?**

Since the inception of the company, innovation has played a major role in the company's growth. This approach has helped us overcome complex problems with simple and cost effective solutions. It has worked for us not only in a problem solving scenarios, but has also helped us develop several new products that customers were delighted to experience. New concepts include a nozzle dispenser used for ice cream toppings and spreads, easy-to-use cup packaging made especially for Lassi and the introduction of exotic flavours such as Pudina, Fig & Honey, Lebanese etc.

**What does your road map for the future look like and what expansion plans are on your table?**

As of today, My Urja contributes 24 % of revenue the company makes. By 2020, we plan to expand our retail stores to 200 nos. This will double the contribution of income through retail to 50% of total revenue. In the coming years, the company also plans to launch a few more innovative product ranges in dairy based beverages. The central idea and thought process for the R&D team has always been to develop products that suit the customer's health and wellness and also to not adhere to the limitations of western delicacies and reproduce them for traditional Indian taste-buds. **PG**







# JK<sup>®</sup>

## MASALE

SINCE 1957



जेके<sup>®</sup>  
कश्मीरी  
मिर्च

# JK<sup>®</sup>

SINCE 1957

## KASHMIRI MIRCH

Packed & Marketed by  
Regd. Office  
JK SPICES & FOOD PRODUCTS  
22, Amrakhia Street,  
Koh-700 001, India  
Unit  
Jagan Industrial  
Complex, Domjur, Howrah



Keep In A Cool  
& Dry Place



Shudh Khao Swasth

info@jkspices.com  
www.jkspices.com

इहउवेह केहाठ  
इववइथे राहठ



# What's Feeding the Snacking Frenzy?

By Sanjay Kumar

For an increasing number of consumers, healthfulness, taste, and portability are important considerations when choosing a snack. Snack products that bridge the gap between nutrition and indulgence with tasty, portable options will break through the clutter. Regional and local taste preferences need to be considered when developing a successful growth strategy. Savvy retailers and manufacturers are taking note and beginning to tailor snack offerings to meet the emerging demands of consumers. Going ahead, we will see things like much cleaner ingredients, fruit/veggie-type snacks to fulfill the daily servings and brand pairings across different categories to promote health and wellness.

**S**nacking in India is not new. Snacks have been an important part of the Indian food habit for ages now. In the days of yore, snacks were mostly nuts and roasted pulses like chickpeas as well as dried fruits. But over time, fried snacking items moved to centre stage and snacks such as sev, ganthia, papdi, chivda, farsan and chaat items made from cereals and pulses have become quite popular with Indians.

At one time, western snacks like wafers and popcorn were sold mostly at cinemas. Today, the western influence on our snack culture has deepened considerably as can be seen in the influx of a variety of snacks, including potato and corn chips variants and other salty snacks, cookies, candies, doughnuts, etc. So much so, that snacking has become a daypart in itself, with consumers seeking snack-style sustenance almost 24/7. According to a research commissioned by Mintel, today, snacking is pretty much an established trend for Indian consumers. About 75% of adults aged 18-64 said they snacked at least once a day. Among younger adults – those in the 18-34 age group – 77% said they snacked once a day. This dropped slightly to 73% for adults aged 35-64 years.

With snacking on the rise for several years now, it is fundamentally changing the way that Indian consumers eat and relate to their food. Though the snacking phenomenon is most pronounced in urban centres, it has spread over to rural India as well in recent years. Over the past few years, the rural market for snacks has also been growing almost

equally in step with the urban market. It is not surprising that for snack manufacturing companies like Vadalia Foods, rural and semi-urban areas are its key markets. “Our key market includes rural and semi-urban markets of Gujarat. We have a diversified product range for all age groups. For example, our fryums are preferred by kids and our farsaan by the adults. Our prices are competitive and reasonable, which allows even lower income consumers to be able to afford all our products. We make our products keeping the masses in mind and we add international spices to our products to add a twist to their flavor,” says **Rajan Vadalia, Managing Director, Vadalia Foods**, which started operations in 2014 and has over 65 products in the marketplace today that rake in sales of Rs. 70 crore currently. The company manufactures and markets snack products like fryums (nine variants), papad, khari, khakhara (four variants), farsaan, chips and namkeens (13 variants) with quality as the key product differentiator. Vadalia Foods’ products are targeted towards the health-conscious customer segment and the products have absolutely no traces of cholesterol. “The snack food market in Gujarat is worth Rs. 1,380 crore and, even as a new entrant, we have been able to capture 5 per cent of the market share already,” says Vadalia.

According to **Rohit Pugalia, Partner, Soch Foods LLP**, which operates the Munchilicious brand with a product range extending to cereals, bars and nachos, “The past few years have seen many multinationals and large domestic food companies duking it out for a pie of the fast-growing snacks category, which includes oats, cornflakes, muesli, dalia and mixes of traditional options like idli and upma. Today, India is surely open to new snacking options and the healthy cereal segment is growing both in the urban and semi-urban markets. Given the longer working hours and hectic lifestyles, most people fail to eat food that can match their nutritional requirements. Therefore, we believe that the next innovation in healthy cereal segment is ready-to-eat meals or meals on the go.”

Commenting on the size of the market for snacks in India, **Ranjana Sundaresan, Senior Research Analyst, Mintel**, says: “India’s organized snack market was worth Rs. 197.8 billion in 2015 and it should only continue to grow as India is one of the fastest growing economies in the world. During 2011-15, the retail snack food category in India grew at an annual rate of 20.5% by value and 12.3% by volume and the category is projected to grow at an annual rate of 18.0% by value and 13.3% by volume in the 2016-20 period.” Euromonitor International

estimates that the organized Indian snack food industry was worth Rs. 20,000 crore in 2015, and is expected to reach Rs. 45,000-50,000 crore by 2021, dominated by traditional Indian salty snacks, which is the largest selling snack product in terms of retail value sales with a contribution of 55%-58% of total value sales within snacks in India. It is also the largest in terms of volume share.

**Shaswat Goenka, one of India’s top retailers and Sector Head - Spencer’s Retail Ltd, RP Sanjiv Goenka Group**, says: “Snacking is one of the top three fastest growing FMCG categories and it is likely to accelerate due to the transition to the organized segment of the industry. There is a high level of innovation and marketing activity happening to cater to the impulse demand from consumers. We see retailers adopting innovative methods of creating extra shelf space to expand the snacking portfolio, and to align with its momentum. The size of the snack market is Rs. 22,000 crore currently and it has been growing at a CAGR of 15% over the past few years. We expect to maintain or accelerate this growth going forward, given the speed of the movement to the organized market, supported by healthier consumer choices and regulatory changes like GST, etc.”

### SNACK FOOD SEGMENTS AND MARKET POTENTIAL

Snack is a type of food not normally eaten as a main meal such as breakfast, lunch or dinner but to mitigate hunger between these meals. Earlier, snacks were considered as a break-time light food. However, people in recent times have been increasingly eating them between meals. Snack may also be consumed between meals purely for the enjoyment of its taste. Traditionally, snacks were prepared from ingredients easily available at home and included sandwiches, nuts, fruits, etc. More recently, because of the popularity of packaged foods, snacks have become portable, quick and satisfying. They have become more appealing than prepared foods and contain tempting, flavorful ingredients.

Market researcher Euromonitor International categorizes the snacks market into two divisions: Savory Snacks and Other Savory Snacks. Savory Snacks is the aggregation of fruit snacks, chips/



**We have a diversified product range for all age groups. We make our products keeping the masses in mind and we add international spices to our products to add a twist to their flavor. Our key market includes rural and semi-urban markets of Gujarat.**

— **Rajan Vadalia**  
Managing Director,  
Vadalia Foods



crisps, extruded snacks, tortilla/corn chips, popcorn, pretzels, nuts and other sweet and savory snacks. Other Savory Snacks are any snack products not included in the previous definition. Examples of such products are seaweed snacks, fish snacks, non-dairy based cup jellies (both chilled and ambient), among others. According to Euromonitor International, the savory snacks category in India has been outperforming the overall packaged foods category, recording a 19% year-on-year value growth through 2013-18.

On the other hand, the overall packaged foods industry registered a growth of 18% year-on-year, through the same period. Says **Dinika Bhatia, Founder & CEO, DRB Foods Pvt. Ltd.**, which operates the brand Nutty Gritties across products ranging from healthy basic products such as raw and dry-roasted salted almonds, walnuts, cashew nuts, raisins to healthy exotic products like barbeque almonds, pepper cashew nuts, spicy trail mix and Thai chilli blend: “The savory snacks segment in India is expected to grow to nearly Rs. 35,801 crore by 2020, up from Rs. 19,151 crore in 2015. This segment includes all snacks like namkeens, chips, nuts, seeds, etc, with namkeens and chips more dominating at the moment.”

According to market research firm Mintel, the major categories within retail packaged snacks include (a) Chips comprising primarily of potato chips; (b) Snack Nuts, which includes packaged nuts intended for immediate consumption; (c) Other Snacks, which includes potato-based snacks, rice-based snacks, corn-based snacks, popcorn, fruit snacks/ jellies among others. Other Snacks also covers a large variety of branded and packaged traditional snacks, including but not limited to mixture, chiwda and banana chips.

The widespread adoption of extrusion technology has given a phenomenal boost to the snack food



industry by increasing the possibility of new shapes, sizes and textures using various raw materials and several folds. These snacks may be either ready to eat or ready to fry or bake and consume. There is the possibility of cooking while extruding and due to the expanded nature of products there is a possibility of having less oil or fat in the product that is ready to eat. Also various flavors can be incorporated into the dough to be extruded and so, there is ease in processing.

**Namkeens**

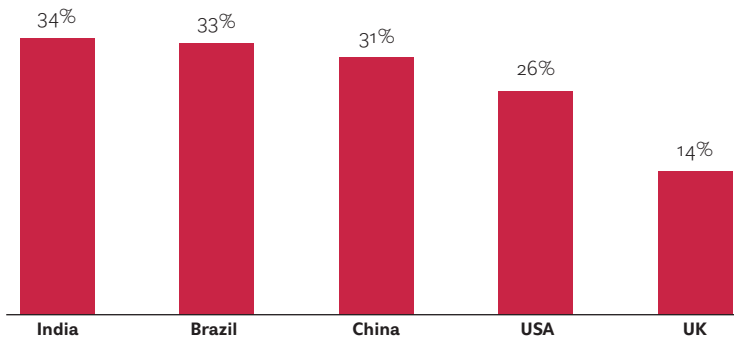
“Salty snacks, or namkeens in colloquial parlance, have been witnessing notable growth in recent years. In the past four years, Indian namkeens are growing at a faster pace @22-25% (approx.) as compared to western snacks growing @12-15% (approx.) overall, says **Manoj Gupta, Executive Director, AFP Manufacturing Co. Pvt. Ltd.**, which has over two decades of experience in manufacturing all types of namkeens and snacks under the brand Munchions with a product range that extends to Bikaneri bhujia, aloo bhujia, Punjabi tadka, navratan mix, khatta meetha, chatpata mix, magic mix, royal treat, nut



**We are introducing nutritious, no-added oil and gluten-free granola – cereal & bars – initially and promise to come up with some more exciting snacks soon.**

— **Rohit Pugalía**  
Partner, Soch Foods LLP

Millennial population (in millions) as a % of country's total population



Source: Deloitte Database (Thomson One) and Analysis

With the largest millennial population globally, India offers a tremendous growth potential for consumer markets and retailers. Share of India's millennials' population as a percentage share of country's total population (34%) is also one of the highest amongst major economies.

cracker, karare peanut, diet mixture, jhal muri, masala matar and much more. It also produces extruded snacks-kurbule, roasted snacks-rings and puffs, among other products and is also one of the best co-packers of PepsiCo (Kurkure) in India since 2011.

According to Rajan Vadalia of Vadalia Foods: "In terms of market value, namkeen has the highest share compared to all the other segments. Currently, in both the organized and unorganized market, namkeen is the leading segment." The namkeen market is divided into two categories: the first category of Indian and ethnic snacks comprise of about 60-65% of market share and the rest belongs to the western snacks category comprising of extruded snacks and chips. "There is also a third type of savory being developed called "bridge snacks", in which the taste and flavor is local but the product format adopted is western. These products are



available in a very few high-end outlets," informs Gupta.

In recent years, packaged namkeen has replaced western snacks such as potato chips and finger sticks as the largest segment within the branded salty snacks market. However, potato chips or sticks are still popular among snack foods. Sliced potatoes are fried and salt is added making the product highly flavorful even if it has a high level of fat, calories, sodium etc. There is a lot of criticism because of the health effect but it enjoys very high acceptability due to flavor and taste. These products continue to dominate the snack industry. There are many variations due to the innovative shapes and sizes (including stackable) of the final product along with a large number of flavors, including cheese, onion, barbecue, pepper, tomato, garlic, paprika etc.

Products like corn chips, tortilla, etc. are also gaining a significant portion of snack foods consumed today. Corn is a versatile material that can be used alone or added to other ingredients including potato, rice, wheat, etc. While potato chips are fragile and are easily broken, corn chips are sturdy. These can also be prepared in many sizes and shapes and flavored in different ways. Popcorn is one of the early snacks and is still popular, especially while watching movies on TV or in cinema halls.



ASIA  
FRUIT  
LOGISTICA

together  
with  
同期举办

ASIAFRUIT  
CONGRESS

Asia's fresh  
produce  
trading hub

AsiaWorld-  
Expo,  
Hong Kong

亚洲新鲜  
果蔬行业  
贸易中心

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](http://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



**PRASHANT ROY**  
Senior Research Analyst  
– Food & Nutrition at  
Euromonitor International

### **How has the snack category been growing in recent years?**

According to Euromonitor International, savoury snacks – the aggregation of fruit snacks, chips/ crisps, extruded snacks, tortilla/corn chips, popcorn, pretzels, nuts and other sweet and savoury snacks – in India have been outperforming the overall packaged foods category. Savoury snacks recorded a 19% year-on-year value growth, through 2013–18. On the other hand, the overall packaged foods industry registered a growth of 18% year-on-year, through the same period.

An increased penetration of branded packaged foods, rising disposable income and the increasing migration from various regions of the country towards urban business centres are some of the key drivers leading to the growth of this category. Urban consumers are shifting to packaged traditional snacks instead of preparing these at home.

A high demand for snacks with local taste and flavours, coupled with a spike in the consumption of traditional snacks, especially during festivals, are the other growth drivers for this category. However, the value growth rate is forecasted to be 14% in 2018, touching INR 335 billion by the end of the year.

### **How do you look at the trends and prospects for the snacks segment, going ahead?**

Even though savoury snacks is a mature category, the prospects of the category look extremely promising in the future. Some of the major growth drivers and the consequent trends include:

**Increasing demand for regional snacks leading to the rise of regional brands:** The market has witnessed strong performance from regional brands such as Haldiram and Balaji Wafers. Capitalizing on the high consumption of traditional snacks or local flavoured snacks, these companies have been able to gain significant market share from western snack manufacturers, such as Pepsi.

The slower growth rate of Pepsi, in comparison to the regional manufacturers, signifies the shift in consumer preferences towards packaged traditional snacks.

*“Snacks are outperforming the overall packaged foods category”*

**Receding impact of GST:** The implementation of GST created considerable uncertainty in the market, primarily affecting the category growth in 2017. However, the market has stabilized and is forecasted to chart double digit growth in 2018 and beyond. Tax rates have now been simplified, which has improved their margins. These improved margins mean that manufacturers can pass on the benefits to the consumers, either by lowering the retail prices or by increasing the volume of snack in the package, without changing the price point.

### **What developments within the snacks category should one watch out for?**

**Healthy Living:** Healthy living is gaining precedence among consumers and the demand for health and wellness snacks, with enhanced health or nutritional benefits, is increasing significantly. Manufacturers are expanding their portfolio of products, which have increased health benefits, such as low sugar and salt content. For instance, PepsiCo announced in 2018 that they will reduce the salt content in Kurkure, and have launched new Kurkure products with 21% less sodium content in April 2018.

The Indian market has witnessed a strong double digit growth of 16% in nuts, trail mixes and seeds through 2013–2018. The same growth momentum is expected to continue in 2018 and beyond. Nuts, trail mixes and seeds are loaded with protein, healthy fats and nutrients, including hard-to-get minerals such as magnesium and zinc. These help in reducing stress, cholesterol and blood pressure, further lowering the chances of heart-related ailments.

Companies like Haldiram Foods International Ltd have been launching roasted almonds and trail mixes, which are perceived as healthy and tasty, and can be consumed on-the-go, signifying a high consumer demand for healthy snacks.

**Premiumization:** This is another major trend as consumers are increasingly demanding products having high quality ingredients, exotic flavours and those sold in innovative packaging.

The market has witnessed considerable growth of premium brands, such as MAXX potato chips from



Lay's and Cornitos and Mexitos tortilla chips.

There are going to be considerable product launches in premium snacks in the near future, such as Poppables potato snacks from Pepsico Inc in India. Pepsi has been planning to capitalise on its premium product portfolio to drive volume growth and improve bottom-line performance.

### **Which are the more fast-moving products within the snacks category?**

Tortilla chips is a relatively new category, and has gained traction in the Indian market since the beginning of this decade. It has considerably outperformed the savoury snacks category over the past five years. Through 2012-17, tortilla chips has grown by 35% year-on-year.

As tortilla chips is of western origin, and goes well with condiments such as salsa sauce, they tend to find their place in the snacks menu of consumers.

The category's contribution to the overall savoury snacks is very low, owing to its position in the growth phase of the product lifecycle. However, the growth potential is promising for this category in India. It is forecasted to maintain a strong double digit growth rate, outperforming the category over the next five years in India.

However, these manufacturers have to undertake aggressive promotional and awareness campaigns in order to drive the sales of this product, especially in Tier 2 and Tier 3 cities, which is still an untapped market for this product.

### **What is the consumer profile for the snacks category across tastes and preferences; buying behavior; price receptivity and product queries?**

As mentioned above, the population from various regions of the country has migrated towards urban business centres resulting in a diversified demography in those urban centres. The people have also retained their food habits irrespective of the place they are relocating to. As a result, we witness a considerable rise in the demand for local flavoured snacks in other parts of the country.

For instance, staple Gujarati snacks, such as khakra, phapra and dhokla, are available in

packaged form, across all parts of the country, since the Gujarati population has migrated towards the northern, southern and eastern part of the country, due to professional reasons.

This trend is strong in savoury snacks as regional manufacturers have been successful in offering local flavoured products from other regions, apart from the place of origin. This has created significant challenge for leading market players such as Pepsico in western snacks.

Also, with India being a price-sensitive market, some regional manufacturers have also increased the volume/amount in their local flavoured products without changing the price point.

### **What can retailers do to improve the category performance?**

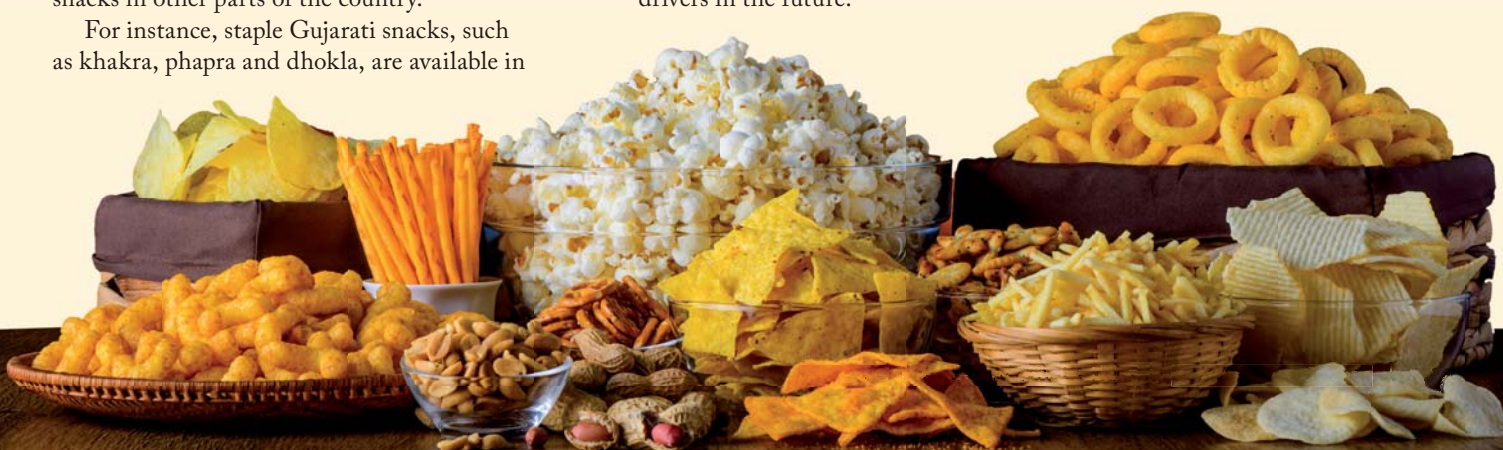
The snacks category is a fast moving category and improving the supply chain operations can help the retailers to improve the category's performance. Retailers should ensure that they have sufficient infrastructure in place to shelf products and ensure quick turnaround as snacks have a lower shelf life. This trend is expected to continue in the future as many regional manufacturers are looking for such cooperation in order to increase the sales of their products and flourish at multiple geographical retail locations.

### **Which are the areas that brands should focus on for their own and category growth?**

New product development, based on consumer preference, will be the key focus area of the brands. Consumers in India are primarily focused on taste and added health benefits of products. Hence, new products with local or non-traditional tastes are expected to drive growth among consumers.

Consumers are also demanding snacks with increased health benefits as healthy living has also become a mega trend and should be taken into account while developing new products. It is projected that products with added health benefits, such as low salt and sugar, will be major growth drivers in the future.

**Savoury snacks recorded a 19% year-on-year value growth, through 2013-18. On the other hand, the overall packaged foods industry registered a growth of 18% year-on-year, through the same period.**

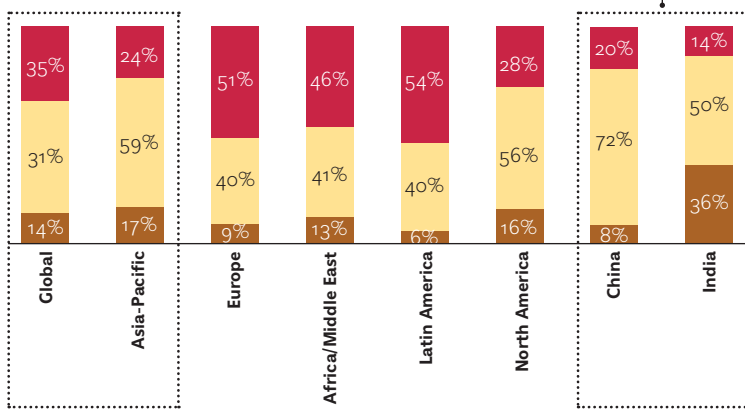




“Our strength lies in innovation and constantly developing new products and flavors to suit all palates. We understand our customers and respond to their needs promptly. Our flavor consistency and coating is the most uniform across the market and, that too, made without a single drop of oil.”

— **Dinika Bhatia**  
 Founder & CEO, DRB Foods Pvt. Ltd.

**Perceived financial spending ability**



Source: Moving on up, Nielsen, December 2016

While perceived financial improvement does not necessarily translate into increased spending power, 86% population in India and 80% population in China believes to be able to either spend freely or spend on some things just because they want them, compared to only 66% globally.

- Have money just for food, shelter and basics
- Live comfortably, and able to spend basis the want
- Able to spend freely



Fizzy Foodlabs, established in 2012, boasts of a range of products such as ready to cook meal kits and nachos with salsa dips in the tray format. The company has two convenience food brands – Chef’s Basket and Colonel and Co., which have been very well received in the marketplace. “Consumers love to try newer products and the brands that you see today will be different from the ones you’ll see in the next six months due to innovative competition,” says **Nipun Katyal, Director, Fizzy Foodlabs**, which is targeting all snack consumers in the age bracket of 10-80 years. “We envision the entire snack category in the snack and dip format. Our product line encompasses this vision with nachos and salsa dip commanding a sub Rs. 100 crore category. In line with the dipping trend, we plan on expanding our range to include potato crisps and various Indian snacks with dips to cater to larger and more established categories popular with consumers,” adds Katyal.

Salty snack or namkeen is a product essentially known for three important attributes: a) Taste

**RETAIL MARKET SIZE | SNACK FOOD – INDIA**

Volume			
	Absolute size	Volume Consumption per capita (population)	Growth
<b>Units</b>	(ooo) tonnes	kg	%
2015	626	0.4775	18.2
2016	753.4	0.5677	20.4
2017	870.1	0.6479	15.5
2018	982.4	0.7234	12.9
2019	1104.4	0.80378	12.4
2020	1242.6	0.8946	12.5
Value in Local Currency			
	Value	Unit prices	Value growth
<b>Units</b>	bn INR	INR per kg	%
2015	197.751	315.9	22.1
2016	236.6128	314.1	19.7
2017	284.5497	327	20.3
2018	333.9611	339.9	17.4
2019	390.8865	353.94	17
2020	459.3731	369.69	17.5

Sources: Economist Intelligence Unit, Company Information, Trade Interviews, Mintel.

b) Quality c) Variety. Further, namkeens can be characterized into three segments as: a) Single product segment: Moong Dal, Chana Dal, Peanut, Nut Cracker, Karare Peanut, Heeng Jeera Peanut, Masala Matar, Mathri, Namkeen Pare, etc. b) Single product in bhujia: Plain Sev, Bikaneri Bhujia, Aloo Bhujia, Punjabi Tadka, Ratlami Sev, Bhavnagri Gathiya, etc. c) Lots of mix: Navratan Mix, Khatta Meetha, Chatpata Mix, Magic Mix, Royal Treat, Kanpuri Mix, Bombay Mix, Kaju Mix, Kashmiri Mix, All in One, etc.



“FLAVOUR FOREVER”



**CHIPS**



**FRYUMS**



**NAMKEEN**



**CHIPS | PAPAD | FRYUMS | KHAKHARA | FARSAN | BAKERY | NAMKEEN | CHOCOLATE**

Office :- Gandhi chambers , Gondal Road Rajkot 360002(Gujarat) INDIA MO :- 9099000449  
Factory :- Survey no 166/1, Kothariya Main Road, Village lothda, dis Rajkot (Guajrat) India.

**Bakery**

Bakery products like biscuits, cookies, cakes, pastries, wafer based products, cream filled biscuits, doughnuts, etc. with their multitude of variations have been another large section of the snack food industry. India is one of the largest consumers of biscuits, with market volume sales of 2.8 million tonne in 2016, according to Mintel Market Sizes. Biscuits have a high penetration rate across the country; Mintel research found that 91% of Indian adults say that they consume biscuits at least once a week. Biscuits are also considered healthy as, traditionally, products like glucose biscuits were and still are counted as a form of nutritional supplement and an affordable source of energy. This perception is likely spread to other, more indulgent types of biscuits as well.

One international biscuit product available in India, courtesy D.C. Johar & Sons, is Walkers Butter Shortbread Biscuits, the largest shortbread biscuit brand globally. Walkers butter shortbread biscuits are baked in the secluded village of Aberlour, Speyside, in the heart of the Scottish Highlands. The shortbread is produced using a traditional recipe, which has been handed down through generations of the Walker family. The product comes with a personal guarantee from the Walker family that it is made using only the finest ingredients and contains no artificial colors, flavorings or preservatives.



**We see retailers adopting innovative methods of creating extra shelf space to expand the snacking portfolio and to align with its momentum.**

— **Shaswat Goenka**  
Sector Head - Spencer's Retail Ltd, RP Sanjiv Goenka Group



“In the shortbread biscuits and cookies range, we are pegged as the market leaders and are keen to work closely with our partners in expanding this experience to a larger consumer base. Our current and future brand portfolio is targeted at the discerning and quality aware consuming households, primarily in urban India and is increasingly being built by the millennial consumers. While we continue to grow at the current pace, holding onto our number one position in this premium segment with our current range, we are conscious of the need to continuously innovate and enhance the consumer experience. Our brand partners are also keen on hearing what the market has to say and support us with the process of new product development! We anticipate bringing even more excitement in this space this fiscal. Our consumers and partners are looking for innovation and product expansion. Our brand partners are in the final phase of launching a new range of product extensions, which have been requested by many of our retail and food services partners, and we are looking at coming up with some gifting options too,” says **Y.V. Vijay Kumar, General Manager, D.C. Johar & Sons (P) Ltd.**

The company is a diversified group active in various sectors and one with decades-long experience in sales and distribution across various verticals (National & Regional) such as International Trade, Research & Consulting, Manufacturing & Retailing for companies like HLL, Britannia, Parry's, GSK, TATA, Mi Xiaomi, Dish TV, Nikon Cameras, Arvind Garments, United Colours of Benetton, Pepe and United Spirits Limited (now Diageo). The company also has its own brand of alcoholic beverages under the name of Johars (currently one of the oldest brands in the State of Kerala) amongst others. In addition, D.C. Johar & Sons also represents some of the largest International brands (in their space). In the snacks category, it imports and nationally distributes Walkers shortbread biscuits and cookies from Scotland.

Snack Food – India   Retail market size					
VALUE IN GBP					
	Value	Spend per capita (population)	Spend as a proportion of GDP	Unit prices	Value growth
Units	m GBP	GBP	%	GBP per kg	%
2007	525.4462	0.44541	0.0866429	2.193	
2008	621.242	0.518969	0.0958307	2.322	18.2
2009	783.6879	0.645446	0.0917237	2.579	26.1
2010	1094.283	0.888953	0.100785	3.153	39.6
2011	1243.999	0.997234	0.110238	3.161	13.7
2012	1324.7118	1.04837	0.115041	3.094	6.5
2013	1497.233	1.17017	0.12562	3.26	13
2014	1619.3346	1.25017	0.130009	3.057	8.2
2015	2003.7124	1.52833	0.148776	3.201	23.7
2016	2602.4595	1.96116	0.16044	3.454	29.9
2017	3461.6752	2.57757	0.177919	3.978	33
2018	3987.8721	2.93658	0.185408	4.059	15.2
2019	4511.4683	3.28346	0.192226	4.085	13.1
2020	5377.7105	3.87164	0.203555	4.3278	19.2

Sources: Economist Intelligence Unit, Company Information, Trade Interviews, Mintel.

PRODUCT OF SCOTLAND

# Walkers

— ESTABLISHED 1898 —

## From our Speyside home



*The World's Finest Shortbread*

**BUTTER SHORTBREAD BISCUITS**

Imported and marketed by :

**D C JOHAR & SONS PVT LTD**

Building No. 1013/E, 17th "E" Cross, Indira Nagar 2nd Stage, Bangalore - 560037. INDIA

Tele : +91 80 42042069, Mob : 9895055066 Email : [info@joharsgroup.com](mailto:info@joharsgroup.com)





# Ingredients in Focus for Snacking Brands in India

The snack category in India is starting to shift focus to ingredients. Brands are now highlighting not only taste and flavour but are also calling out various features of some of the ingredients used. These features appearing on packaging include references to high quality, authenticity and even simplicity and freshness. Nearly a quarter of launches in the last five years carry such descriptions of one or more ingredients, according to Mintel Global New Products Database (GNPD).

By **Ranjana Sundaresan**



**RANJANA SUNDARESAN**  
Senior Research Analyst,  
Mintel

**I**n India, the salty snacks category has been increasing its focus on the quality of ingredients used over the last few years. This is a likely way for Indian brands to highlight the overall quality of the snack.

## Ingredient transparency is key

Globally, there has been a growing focus on the quality and authenticity of ingredients as consumers want to know exactly what they are eating. It has been noted that consumer trust in regulatory systems and big companies is low in light of a number of food scandals.

According to Mintel's 2018 Food and Drink Trend 'Full Disclosure', this low trust has led to enhanced expectations for food manufacturers to be completely transparent about what has gone into their food, how it was made and ingredient origin.

Consumers are also interested in cutting back on

the amount of processed foods they eat and thus, want minimally processed ingredients. Brands are communicating the authenticity of their ingredients, with some even offering complete traceability of the product on product packaging today.

As Indian consumers become used to seeing details about what goes into their snacks, it is very likely that they will start expecting greater transparency in other aspects such as nutritional information as well. For example, according to Mintel GNPD, 32% of snack launches during 2013-17 had lentils, pulses or beans as ingredients, but only 5% claimed high or added protein. Such claims can go a long way toward improving a snacks' health perception.

There is scope for more specific and niche information, such as what colors are used. Cornitos, a nachos brand, has launched a variant that highlights, on the pack, the use of beetroot, white bean and spinach powders to color the chips in a bid to reinforce naturalness, authenticity and even an element of health.

This openness with regard to ingredients will add to the convenience element of healthy snacking while boosting the space significantly in the coming years. According to Mintel research done in 2016, ingredient familiarity plays an important role and over one in three adult snackers in India are willing to pay extra for snacks which have known ingredients.

## Hygiene factor

One of the main issues linked to loose food in India is contamination, and consumers are encouraged to make the shift to packaged food in order to reduce the harm contaminated food can cause.

Hygiene is one of the top characteristics associated with packaged snacks. India's snack food category has seen rapid uptake of branded, packaged products, and is one of the fastest growing markets globally, according to Mintel estimates. The category will pick up pace in the coming years, especially given the growth in the packaged foods space as Indian consumers move away from loose, unbranded food. Highlighting ingredient quality can also go a long way in reinforcing the safety of these snacks.

## India's growing interest in healthy snacking

Salty snacks have a limited association with health in India, but there is growing interest in healthy snacking. According to Mintel research, among Indian adults who snack, almost half ranked healthfulness as the first or second feature when it came to choosing a snack.

**INDIAN SNACK BRANDS CALL OUT REAL INGREDIENTS**



**HIGH QUALITY MUSHROOM CORN**  
4700 BC Gourmet Popcorn's Orange Chilli Caramel Popcorn is said to be made the old fashioned way. This product comprises of high quality mushroom corn that is coated with handcrafted caramel with a hint of orange and chilli and dried orange peels.



**REAL INGREDIENTS**  
The Grannary's Sweet Chilli with Lime & Herbs Whole Grain Chips is said to be made with wholegrain and real ingredients. These wholesome multigrain wave-shaped chips are free from artificial colours, flavours, additives and preservatives.

**BETTER-FOR-YOU INGREDIENTS CALLED OUT ON PACK IN INDIAN SNACKS**



**INDIAN AND INTERNATIONAL PRODUCE**  
Karrotz Family Super Snack is described as a premium mix of Indian and international produce, including cranberries, dates, roasted lentils and seeds. It is a source of fibre, iron, protein, healthy fats, magnesium etc.



**SUPER GRAIN POWER**  
Powerpuffs Mint Munchies is described as a guilt-free snack made from five super grains - sorghum, finger millet, barnyard millet, brown rice and flaxseed. It is also said to provide essential nutrients, fibre and energy.

Source: Mintel GNPD

**According to Mintel research, almost half of all Indian snackers ranked healthfulness as the first or second feature when it came to choosing a snack. Brands have responded to changing needs by highlighting the use of 'hero' ingredients such as quinoa, lentils, seeds and millets.**



at a premium price point. Not surprisingly, this reinforced the belief that healthy snacks are expensive, as almost a third of Indian snackers have stated. Mainstream brands are now adopting this strategy of using BFY ingredients but at more affordable price points. Ingredients used include not just exotic ones like quinoa, but also well-known ones like lentils and millets.

**What we think**

Greater ingredient transparency will become a vital feature for brands in categories such as snacks, where there is less of an association with health in consumers' minds. In addition, highlighting quality and authenticity of ingredients used in foods can help improve the overall quality perception of packaged snacks.

As this focus on ingredients becomes more common, it is also likely to help make healthy snacks more affordable or at least justify the pricing to consumers.

**Ranjana Sundaresan, Senior Research Analyst, India, at Mintel, specializes in analyzing consumer trends with an Indian focus as well as global trend observations. With a degree in Statistics, she delivers essential analytical skills, and earns her experience as sub-editor for the Deccan Chronicle as well as Researcher & Copy editor for RR Donnelley Global Outsourcing.**



This is a major change in customer behavior as a number of better-for-you (BFY) snack launches were taken off shelves due to the lack of consumer interest a few years ago. In fact, living a healthy lifestyle has emerged as the top goal for Indians in the coming years, as stated by 48% of urban Indians. A section of the audience is even willing to pay a premium for health related claims.

This opens up a potential for snack manufacturers to highlight the use of BFY ingredients to appeal to such consumers. Brands have started to respond to these changing needs by calling out 'hero' ingredients that have high links with health and nutrition in the consumers' minds. Showcasing the use of some of these ingredients could also help brands explain or justify their higher prices.

The desire for healthy snacks was met by small, independent brands and the snacks came



**The quality and quantity aspect that we offer makes us acceptable as a value-for-money proposition. Overall, better and attractive packaging of Munchons and a better quality product backed by our ATL/BTL activities make the brand acceptable to all consumer segments.**

— **Manoj Gupta**  
Executive Director,  
AFP Manufacturing  
Co. Pvt. Ltd.

Chocolate and sugar-based products also comprise a huge market in snacks with products including candy bars, various specialty chocolates, cereal based products coated with chocolate, energy bars, soft and hard candies, jujubes, lollipops, coated confections, and a large variation of all these. Also, there are products like granola bars and a large number of granola based products that have been witnessing good market traction in recent years. Soch Foods' Munchilicious brand is all set to enter the granola segment, which has a 15.3% market share of the health food segment in India. "We are introducing nutritious, no-added oil and gluten-free granola – cereal & bars – initially and promise to come up with some more exciting snacks soon. All our products have been tested for quality by TUV SUD and are manufactured in an ISO 22000:2005 certified facility," says Rohit Pugalía.

#### Frozen snacks

From pizza rolls to egg rolls, or popcorn chicken to pretzel poppers, frozen snacks fulfill cravings in a convenient, easy and affordable way, after just a few minutes in the microwave or a quick pop in the oven. Shoppers today, especially the young generation, take delight in finding and discovering authentic, ethnic snacks and appetizers in the retailers' freezer. "The frozen foods market size in India is over Rs. 1000 crore. The frozen/convenience food industry, which started by offering basic frozen vegetables and fries, today offers a wide range of products from fruits and vegetables to frozen meats and ready-to-cook, snacking, and full meal options. The noticeable trend is also towards bringing healthy meal options and world cuisine to retail freezers. Frozen food snacks are soon becoming a must-have category in the retail space due to the increase in demand for the products from the consumers. Retailers also earn reasonable margins due to multiple players in the same category, says **Chandrasekharan, COO, Amalgam**

**Frozen Foods Pvt. Ltd.**, which has a track record of introducing some of the major food brands in India, including the 'Buffet' brand of premium convenience frozen food.

The company is into multiple categories in the frozen food segment and its 'Buffet' brand has products in all the five major segments of frozen foods – Indian breads (parathas & naans), sausages & meats, seafood, snacks and vegetables. The products are all in the ready-to-cook, ready-to-fry and heat-n-serve range. "Our current range of products comprises a variety of parathas, naans, sausages, shrimps, frozen fish fillets, breaded products like nuggets, chicken pops, breaded burger patties, breaded fish fillet, breaded fish fingers, spring rolls, kaathi rolls, calzones, kebabs, momos, dimsums and French fries. We have also introduced heat-n-serve products like a range of Indian curries, fried rice and biriyanis," informs Chandrasekharan.



It is estimated that almost 1,000 snack items and 300 types of savories are sold across India, with many more unaccounted for. In the past few years, Indian consumers seem to have recovered their taste for traditional snacks such as sev, bhujia and namkeen/mixtures, which are contributing to the impressive growth rate of the snacks market. Traditional snacks boast of proven human craftsmanship, including cooking and frying by hand. "Indian and ethnic snacks belong to the traditional fried category and are a leading trend in the market. Western snacks are of the roasted category and are a quickly growing segment in India with the inception of low fat products. However, it may take several more years to develop this category for the Indian market," feels Gupta of AFP Manufacturing. The health category is also developing as a separate one.

According to Gupta of AFP Manufacturing's Munchons, "The overall market for namkeen and snacks in India is about Rs. 1 lakh crore. Being the most vibrant industry, it has seen an unprecedented





AN ISO 9001 : 2015 & 22000 : 2005 CERTIFIED CO.

RENOWNED  
CHANACHUR / MIXTURE  
MANUFACTURER OF KOLKATA  
SINCE 1950

# Mukharochak®

*Eat Healthy Stay Healthy*



Chanachur  
Ethnic Snacks  
Tiffin Snacks  
Cocktail Snacks  
Tea Snacks



CITY OFFICE :  
364/11, N.S.C. Bose Road, Naktala,  
Kolkata 700 047.  
PH. 09831 947429

**For Trade Enquiry  
Please Contact :  
PH. +91 98319 47429**

FACTORY & OFFICE :  
BARULI, DAKSHIN GOBINDOPUR,  
BARUIPUR, KOLKATA - 700145  
PH. +91 85840 25792

email: mukharochakcal@gmail.com  
www.mukharochak.com

mukharochakonline@gmail.com

mukharochakexport@gmail.com

FOLLOW US -

**Various approaches which can be used by consumer companies to target millennials include:**



growth in the recent past and continues to expand rapidly.” It is estimated that about 30% coverage of this market is in the hands of organized trade players dominated by Haldiram’s, Pepsico, Balaji (wafers & namkeens), ITC (Bingo), Prataap Snacks (Yellow Diamond), Bikanervala (Bikano), DFM Foods (CRAX), among others. The branded segment is expanding at the rate of approx. 15% per annum whereas the entire market is growing at the rate of 7-8 per cent. “Overall, the Indian snack market is largely dominated by unorganized players but this scenario is expected to change during 2018-2024,” says Vadalía of Vadalía Foods.

**HOW THE SNACK MARKET IS SHAPING UP**

Today, consumers want a variety of easy-to-carry, price-effective snacks that do not compromise on taste and nutrition.

According to **Avinash Tripathi, Merchandising Head, Godrej Nature’s Basket**, “Taste is the most important criteria in the choice of a snacking product.

Indian consumers are looking for snacks that are fresh, crisp and flavorful.

Freshness is also one of the top criteria in choosing a snacking product. While nearly three-quarters of consumers wish there were healthier snack options, more than three in five agree that taste is more important than how healthy the snack is for them. So, keeping the balance between health and indulgence is the mantra for success in the snacking segment.”

Busy shoppers think of snacks as mini-meals and are snacking more than ever before. Consumers are looking for healthy alternatives to the classic fried potato chips and are sampling options that include nachos, dehydrated vegetable chips, roasted and baked chips and popcorn, among others. According to studies, analysts forecast the global tortilla chips market will grow at a CAGR of 7.42% during the period 2017-2021. The veggie chip market in India is showing a 17% annual growth. The Indian demography, by its virtue, holds a prominent place

for vegetarians by choice or custom, especially in and around northern India. Snack manufacturers would do well to remember that this segment is also a huge consumer of packed potato chips and such snacks. More so, when there are all vegetarian no-garlic, no-onion options to go along with, this category is bound to grow in leaps and bounds, as it is about meeting the growing consumers’ needs.

By way of consumer segmentation, the namkeen and snack market is divided into three demographic sets – kids, teenagers and adults – and all of these segments are snacking more today than ever before, contributing to increasing sales in the category. Products like Munchons are liked by kids, teenagers, and adults alike. A big credit for this widespread acceptability goes to the brand’s ability to come up with new flavors and innovative vibrant packaging. “The kids love our packaging and our products, which are soft, chewable, spicy, and also come with the offer of freebies. Kids are always ready to adopt Munchons’ new flavors and due importance has been given to this aspect with offerings of new Indian and western flavors. Teenagers are attracted to our healthier and high-grade products and they also find our new products appealing. Adults are attracted to Munchons’ price proposition and they are satisfied with their money spent well; hence the quantity aspect that we offer forms a key consideration in their choice-making and makes us acceptable as a value-for-money proposition. Overall, better and attractive packaging of Munchons and a better quality product backed by our ATL/BTL activities make the brand acceptable to all consumer segments,” says Gupta.

Another important aspect for the category, which is helping it gain market traction is product innovation. Companies and brands are looking at providing healthier snacking options with an extended shelf life. A longer shelf life helps retailers to avoid issues related to the expiry of products. In the snacks segment, new launches and investments



Including a greater mix of value-priced or value-for-money products

Investing in Omni-channel to enhance consumer engagement – particularly through mobile channels and apps

Making customer marketing and communications increasingly personalized and more engaging

Proactive focus on social media, including product launch campaigns, reverting to consumers, live engagement campaigns, videos and gaming, etc.

Becoming more responsible as a business – practicing sustainable ways to consciously cater to social and environmental needs

Source: Deloitte Analysis



have followed a set pattern – there is a tendency to follow leader brands. This has led to the growth of me-too brands. The blue ocean strategy, which involves putting a differentiator brand or idea in place and creating more value for the consumers, needs to be followed for sustained growth of the category.

One such brand to have come on the market recently is promoted by R.P Sanjiv Goenka Group's Guiltfree Industries. Introduced last year, Too Yumm is a new FMCG brand with a range of healthy snacks catering to health-conscious consumers and fitness enthusiasts. Too Yumm offers irresistible, healthy snacking options that are completely baked and not fried. "At Too Yumm, we have a spectrum of healthy snacks and nibbles that include fox nuts, veggie sticks, wheat thins, quinoa puffs, and multigrain chips. Our idea is to give consumers a healthier option so that they can snack guilt-free," says Shaswat Goenka, scion of R.P Sanjiv Goenka's Group, which has roped in Indian cricket Captain Virat Kohli as Too Yumm's brand ambassador. "Our USP is to offer healthier snacking alternatives to our consumers. Our products are not fried, yet they have a very satisfying taste. For people who are very careful of the food they consume, Too Yumm offerings make for the perfect binge, as they are very light to consume and make for a wholesome snack."



What is also opening up new avenues for many kinds of new snacks like nachos is the ongoing boom in the Hotel/Restaurant/ Café (HoReCa) sector in India. New Tapas bars and quick service restaurants (QSR) are opening up regularly and ruling the roost in the foodservice industry. In line with the contemporary dining and snacking trends, they feature products like nachos as important elements of their offerings alongside more established menu choices. The new India has developed a taste for worldly flavors from around the globe and consumers are becoming conscious of what they are consuming. In this scenario, healthier snacking options are catching up quickly to bridge gaps.



### DRIVERS AND TRENDS BEHIND RISING SNACKING CULTURE

#### Easy, on-the-go meal substitutes finding favor with consumers

Consumers are eating snacks between meals and as meal replacements. Indians, in increasing numbers, are becoming snack eaters between meals as they love to snack everywhere from theater, to workplace, to car, and everywhere else. This trend has a wide impact over the healthy snack market owing to changing consumer preference towards healthy diets. Additionally, consumers are shifting to healthy ingredients in snack products owing to added health support associated with their consumption. As a result of this growing snacking culture, snacks' sales have been on an uptick, which underscores how prevalent snacking has become today.

"Sales in the snacking category have grown more than six-fold since 2004 and we have been taking our share of bite in the Indian RTE/ CPG snack market," says Prashanth Gowriraju, Founder & CEO, Timla Foods, which operates brand PopiCorn, a ready-to-eat delicious popcorn. The company started in 2015 in a modest way by combining various ingredients with popcorn in its kitchen. The first opportunity to test its products presented itself during the IPL matches in Hyderabad that year and from thereon, there was no looking back. "Today we're popping more than 200 tonnes of popcorn every month and selling all across India in over 10 different cities. Our aim is to scale up to 50 cities by March next year and capture over 5-7% market share in the coming years," adds Gowriraju.

"Popcorn in India has been registering double digit growth rate, driven by taste, flavour and considerable health benefits, such as low calorie and high fibre content. It is 100% whole grain and



**Taste is the most important criteria in the choice of a snacking product. Indian consumers are looking for snacks that are fresh, crisp and flavorful.**

— Avinash Tripathi  
Merchandising Head,  
Godrej Nature's Basket

contains antioxidants as well, which can help in preventing cancerous ailments and heart diseases,” says **Prashant Roy, Senior Research Analyst – Food & Nutrition at Euromonitor International**. Today, popcorn has become a perennial between-meal favorite, lending itself to almost any kind of snack which goes across all lines of snacking, from weight management to indulgence.

Leveraging on this sizable market opportunity, 4700BC Popcorn – India’s first gourmet popcorn brand – offers more than 25 flavours of the product across variants such as cheese, caramel, chocolate, candy and jalepeno. Established in 2013, the brand was co-founded by Chirag Gupta and his colleague Ankur Gupta with the aim to introduce popcorn as a regular snack meant for consumption not just at movie theaters and cinemas. The brand is currently operating in Delhi, Gurgaon, Noida, Bangalore, Mumbai and Chennai with a total of 23 stores. “We also supply to numerous airlines such as IndiGo, SpiceJet, GoAir and AirAsia for their in-flight menu. Our product’s USP is two-fold. Firstly, our popcorn can be referred to as both a savory and sweet snack because of the incorporation of flavors like caramel or peri-peri into the mix. Secondly, the way we’ve positioned the brand in the market along with premium packaging is a unique and first-of-its-kind concept,” says **Chirag Gupta, Co-founder & CEO, 4700BC Popcorn**.

One of the many driving factors in the snacking surge witnessed today is consumers’ evolving definition of what constitutes a snack. The fact that consumers want to snack morning, afternoon and night is also fueling sales. An increasing percentage of today’s meal occasions aren’t traditional meals but are snacks or mini-meals. Think late-night, sports and breakfast-fillers. Midnight cereal chomping, energy-dense sports snacks and on-the-go breakfast replacements are just some of the trends shaping the snacking market today. Traditional breakfast alternatives like pasta and noodles are also seeing a spike in consumer demand.



**In the Shortbread biscuits and cookies range, we are pegged as the market leaders, and are keen to work closely with our partners in expanding this experience to a larger consumer base.**

— **Y.V. Vijay Kumar**  
GM, D.C. Johar & Sons (P) Ltd.

“In the past two to three years, flavored oats have become increasingly popular. Oats are an excellent source of carbohydrate, protein and dietary fibre. In addition, they contain beta-glucan soluble fibre, which helps reduce cholesterol. Until now, a majority of oats consumers have been buying plain oats primarily because it is recommended to them by their doctors or friends as a healthy snacking option. But, of late, flavored oats sales has been taking off,” observes Rohit Pugalia of Munchilicious, which offers a range of healthy yet tasty all-day, mid-meal, on-the-go and affordable snacking options that include dried fruits, dark chocolate and flaxseeds.



“If we talk about breakfast cereals, the breakfast segment in India holds a significant opportunity for us. It would be fair to say that demand for convenience is driving innovation in this category. Today, this category is at a very different stage as compared to where it was a few years ago. Now, consumers are well informed and actively pursue this category, which is projected to touch Rs. 3,000 crore and has been growing at a CAGR of 22% over the past five years. Talking about pasta, it falls in the broad category of ‘Pastas, Noodles and Soups’. As consumers today are more inclined towards convenience food, this category is blooming. Pastas are considered as a convenience food because they require less cooking effort and this particular factor supports the growth of this category. Globally, the market value for pastas was estimated at 11 billion USD in 2017. In the Indian context, the market is expected to grow at a CAGR of about 16.8% from 2018-2023 annually, was valued at 286 million USD in 2017 and is expected to reach 709 million USD by 2023,” says **Pankaj Bairoliya, Director, Fespro Foods Pvt. Ltd.**, which majorly caters to two product categories currently: breakfast cereals and pastas.

Fespro Foods is aimed at conserving traditional values but with a twist. Their major motivation that drives all product development activities is to convert traditional ingredients into contemporary products



Munchilicious®

# SNACKING GETS HEALTHY!

Find yourself reaching for junk food due to those untimely cravings?  
Keep those hunger pangs at bay with a healthy indulgence.  
Presenting Munchilicious granola, a guilt-free, gluten-free snack that's enriched with nuts, seeds, roasted grains, fruits, and chocolate (Yes, that's right!) to give the much needed energy boost. Power-packed with nutrition, every bite is the perfect combination of health and taste.



Follow us on    MunchiliciousIN

 [www.munchilicious.com](http://www.munchilicious.com)

For distributorship across India contact:

Rohit Mohan Pugalia

+91 80808 07624 | [rmp@sochfoods.com](mailto:rmp@sochfoods.com)

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

Grab your pack from:

 amazon.in

 Flipkart 

 SHOPCLUES.COM

7<sup>th</sup> MIDDLE EAST

Retail

F O R U M

8 - 9 October 2018

PALAZZO VERSACE HOTEL, DUBAI

[www.middleeastretailforum.com](http://www.middleeastretailforum.com)



Images RetailME Awards is the annual industry honours that recognise the top performing retailers and retail practices every year and reward excellence across retail categories. The Images RetailME Awards ceremony is the most prestigious event of its kind in the Middle East retail calendar and is geared to set benchmarks in this vibrant retail destination.

# BLOCK YOUR DATES FOR THE BIGGEST RETAIL FUSION

# PHYSICAL. MEETS DIGITAL.

The Middle East Retail Forum (MRF) is an independent retail knowledge platform. Established in Dubai in 2012, the annual MRF is a unique gathering of retailers and retail support groups discussing key issues facing the fraternity and exchanging best practices. The 2 day forum is also a great opportunity to network with the top executives of the retail industry & learn what is relevant for the development of retail business in the Middle East.

Let us come together to share knowledge & celebrate retailing excellence in the region.

EXHIBITION . CONFERENCE . AWARDS. [www.middleeastretailforum.com](http://www.middleeastretailforum.com)

## MRF 2018 AT A GLANCE

### Day 1 – October 8

Keynote address: What lies beyond 2020?  
Exclusive report: Offline-online, no longer a debate  
F&B conclave - Technology, the holy grail for food businesses  
Panel discussion: KSA & its many flavours  
SOLO insights  
Panel discussion: Going strong over decades

### Day 2 – October 9

Keynote address: Home-grown is the new flavour  
Start-up conclave: Building an entrepreneurial nation  
SOLO Insights  
Panel discussion: Blurring the line between retail spaces  
Panel discussion: Demystifying 'phygital'

## SIGN UP TODAY

**Partnership Opportunities:**  
Nikhil Gupta  
+ 971 56 406 6722  
[nikhil@imagesretailme.com](mailto:nikhil@imagesretailme.com)

**Awards and Delegate Inquiries:**  
Chelene Raath  
+ 971 44 46 7553, +971 50 122 0017  
[chelene@imagesretailme.com](mailto:chelene@imagesretailme.com)

**Speaking Opportunities:**  
Rupkatha Bhowmick  
+ 971 52 981 1183  
[rupkatha@imagesretailme.com](mailto:rupkatha@imagesretailme.com)



“  
**Frozen food snacks are soon becoming a must-have category in the retail space due to the increase in demand for the products from consumers. Retailers also earn reasonable margins due to multiple players in the same category.**

— Chandrasekharan  
 COO, Amalgam Frozen  
 Foods Pvt. Ltd.

to fit the need and the taste buds of the ‘evolved’ consumers. “Our USP is new product development and innovation efforts, which are guided towards one question – How can we modernize a traditional ingredient keeping its essential values intact. Our dedicated team of food technologists is working continuously on different options developed for targeted consumers,” informs Bairoliya.

Cuttack-based Om Oil And Flour Mills Ltd., which operates the Ruchi brand is an important player in the breakfast and snacks space. The company has a very diverse and interesting range of stock keeping units in the snacks category: nasta ka pasta, chudda powder, daliya, sooji, sago and idli rawa. Besides, it has a whole range of cookies and rusk varieties made from fruit, milk and wheat. **Rashmi Sahoo, Director, Om Oil And Flour Mills Ltd.**, says the snacks category has shown a marked improvement in the past few years with retailers more than willing to allocate greater shelf space and be accommodating of the new products being introduced in the market. The company is expecting to grow its snacks’ sales at about 35% CAGR backed by its products’ quality, competitive pricing and varied promotions.

“Our products are made from pure, natural sources and processed using state-of-the-art equipment at our automatic plant imported from Italy. Most of our products are vacuum sealed packed, thereby ensuring long life of the product



migration from various regions of the country towards urban business centres are some of the key drivers leading to the growth of the snacks category. Urban consumers are shifting to packaged traditional snacks instead of preparing these at home. Also, a high demand for snacks with local taste and flavors, coupled with a spike in the consumption of traditional snacks, especially during festivals, are the other growth drivers for the snack category. However, the value growth rate is forecasted to be 14% in 2018, touching Rs. 335 billion by the end of the year,” says Roy of Euromonitor. According to Rajan Vadalia of Vadalia Foods, “The Indian snacks market is growing due to lifestyle changes, rising urbanization, growing middle class population, local availability of snacks in small package sizes, low price, and snack companies’ strategic focus on regional taste.”



and, above all, retaining the natural nutrients of the products. Our main target is to widen the base of health-conscious consumers for our products and this applies to both the sexes in the young and old category. We come with an experience of over 40 years in the food business and today Ruchi Group of Industries is a leading quality food processing unit that manufactures and exports quality spices, vermicelli, noodles, pasta, frozen food (RTS) and non-CSD beverages,” says Sahoo, adding that Ruchi is planning to add more simple but very appealing SKUs in the healthy snacks category.

“An increased penetration of branded packaged foods, rising disposable income and increasing

### More of healthy ingredients

As the line between snacks and meals becomes increasingly blurred, consumers have higher expectations about what snacks should deliver. Consumers expect snacks to do more for them than ever – in terms of the physical, nutritional, emotional, social and cultural experiences they offer. Industry pundits and analysts aver that more consumers feel that snacks should be healthful, be made from whole real foods, starting with fruit and veggies, should offer “good” fats and proteins, should have no artificial flavors, colors or preservatives and should offer organic choices, where possible.

“Our products are made without using any additives, flavors or preservatives. What we are trying to achieve is to offer the customer near-to-homemade quality food termed Home-Style. With the aim of offering food of the highest quality, most of the ingredients used in our products are sourced from the finest food processors from around the world, like Japanese Panko Crumbs used in our range of breaded products or the Thai glass noodles



# • A HEALTHY OUTSIDE • STARTS FROM THE INSIDE

Order your snacks right now!

REACH OUT TO US [www.newtree.co.in](http://www.newtree.co.in)

Also available at : [Flipkart](#) [f](#) [amazon](#) [b](#) [bigbasket](#)

B - 257, Ground Floor, Okla Phase - 1, New Delhi - 110020

📞 011-40078668

✉ [info@newtree.co.in](mailto:info@newtree.co.in)

in our spring rolls. This adds substantial value to our products within the respective category,” says Chandrasekharan of Amalgam Frozen Foods.

According to Gupta of AFP Manufacturing’s Munchons brand: “Our mission is to cater to all consumers by serving them best quality Namkeen. Our endeavor is to achieve new technology adaptation to make low fat namkeens and snacks achieving global standards of excellence at all levels of operations with a focus on consumer satisfaction and therefore, putting a smile on every consumer’s face, by offering them with the best flavors of India.”



**Our popcorn can be referred to as both a savory and sweet snack because of the incorporation of flavors like caramel or peri-peri into the mix. Also, the way we’ve positioned the brand in the market along with premium packaging is a first-of-its-kind concept.**

— **Chirag Gupta**  
Co-founder & CEO,  
4700BC Popcorn

Over the past few years, consumers are increasingly opting for a healthy lifestyle which, coupled with rising disposable income, has provided a thrust to the consumption of health ingredients in India. “There is now a greater focus by customers on eating healthy ingredients such as chia seeds, quinoa, and nuts. Obesity and weight-related problems have also contributed towards increased consumption of these products – both at restaurants and at home,” says **Mukesh G Dattani, Partner, Regency Spices LLP**, which was founded in 1951 and began its operations by introducing East African spices to the local Indian marketplace with the import of cloves from their ancient origin near Tanzania.

Over the decades, the group has diversified into various product categories such as international spices, dry fruits, nuts, dehydrated fruits, healthy seeds, and select herbs. “Consumers, primarily in urban areas, are increasingly looking at organic products and are buying them regularly. The demand for organic dry fruits, nuts and healthy seeds should see a manifold growth over the next 3-5 years. This boost in demand will be driven by three factors – a choice of healthy lifestyle, increased awareness about



organic products, and lowering of costs and prices of organic products,” adds Dattani.

Another brand offering unique healthy snacking options for consumers of all ages with a diversified product range comprising of items from nuts, berries, trail mixes to Indian savory snacks like makhana, khakhara, roasted namkeens is **NewTree**, which operates both in the online and offline market. “We are a unique healthy snacking company and the products we offer are unique in quality, taste and packaging. Our strong focus on R&D helps us in identifying the gaps in the market and come out with new products to fill those gaps. At **NewTree**, we have done a lot of value addition both on the product and packaging fronts. This has resulted in great value creation. One such example is our range of trail mixes. We possibly have one of the most unique ranges of trail mixes in which we have combined some of the finest ingredients to create a high quality product. Another competitive advantage that we have is our flexibility. This helps us in customizing the products as per the requirement of customers,” says **Savinay Jain, Founder & CEO, NewTree**, noting that the brand has very aggressive plans of expansion in both the online and offline space.

“Offline, we are in the process of setting up distributors in the top Tier 1 & Tier II cities. Also, a lot of modern trade tie ups have already been closed. Online, too, has been a focus area for us and we expect a substantial jump in our online business. We expect the online business to be 40% of our topline by March 2020 from the current 20%. Our offline Modern Trade contributes about 40%, General Trade is 30%, and Corporate Sales contributes the remainder 10%,” observes Jain,







adding that NewTree's unique combinations of nuts, berries, seeds and fruits have been generating a lot of consumer demand besides its range of traditional Indian snacks like makhana, khakhara, etc. Apart from offering a range of savory and sweet makhana, NewTree also offers about 30 varieties of khakhara.

### Rising consumption of dry fruits, nuts and seeds

Among the interesting trends emerging in the healthy snacking industry is the rising consumption of dry fruits, nuts and seeds. Traditionally, people in India consumed these products only during the winter season. However, with the growing awareness of their benefits, consumers have taken to eating them throughout the year, which is reflected in the growing market for such products. Take, for instance, Dnuts, which is an established name in supplying quality dry fruits, dehydrated fruits, berries, seeds and more, and takes great pride in ensuring the highest quality, wholesome, tasty and pure products. The brand has recently added 30 new products under its banner, some of which are exclusive to the dry fruit market. The company is now planning to take its product range to 300 which, perhaps, no other player in this category offers.

With over five generations of experience in the business, it has an extremely dedicated set of professionals who test each product under their stringent quality checks to ensure the highest standards. "Nuts are a storehouse for nutrition for all age groups. All dry fruits are and can be used as snack items. Our products are used in many industries – by HoReca, ice-cream manufacturers, chocolate manufacturers, bakeries and baking industries, breakfast cereal manufacturers, traditional sweet shops and for household consumption and medicinal purposes. Consistency and uncompromising standards for quality are what have made us a renowned brand. We have a strong

working dynamics with producers, manufacturers and age-old bonds since 1850, when our original store opened in Sargodha, Punjab, currently in Pakistan," says **Atin Monga, Proprietor, Harmilapi Impex**, which has brand Dnuts under the company banner.

According to **Vikas D Nahar, Founder, Happilo International Pvt. Ltd.**, "The dry fruit gourmet market in India is approximately worth Rs. 15,000 crore and growing at a rate of 20% per year. If we compare the Indian gourmet foods industry with the US gourmet industry, it is approximately only 10% of the US industry. This makes for enormous scope of growth considering the population difference between both. We are working hard to fill this gap through our international quality products." Happilo International, a health-focused food company headquartered in Bangalore, which operates the gourmet brand "Happilo" has been riding the crest of healthy snacking in India. With over four decades of experience in the food industry, the company's offerings include an exclusive range of dry fruits, dried fruits, spices, healthy seeds, trial mixes, festive gift hampers and more.

"Happilo has been producing and distributing quality nuts and spices since 1969. We manufacture a complete range of nuts, dried fruits, fusion, peanut butter, apple cider vinegars including homegrown and imported products. We are one of the largest



importers of dry fruits and dried fruits in southern India and offer a wide variety products catering to every budget and taste. Our complete range of imported dry fruits, dried fruits, berries and spices in international quality and world class packaging has found its way into the homes and hearts of many households," says Nahar.

Healthy snacks sales are getting stronger and continue to be on the rise as families are becoming more health-conscious and looking for alternatives to less healthy snack items. "The snacking category has evolved through the years and continues to do so.



**If we talk about breakfast cereals, the breakfast segment in India holds a significant opportunity for us. It would be fair to say that demand for convenience is driving innovation in this category.**

— **Pankaj Bairoliya**  
Director, Fespro  
Foods Pvt. Ltd.

One of the changes is that consumers are becoming more aware and conscious of what they consume and how. This has now evolved into influencing their choice of products and brands. Health is no longer niche and we see high growth for healthier products. Consumers are becoming more aware and conscious of what they eat, and this is influencing their choice of products and brands. This is being accelerated by very visible communication around health, fitness and regulations; supported by leaders, sports people and celebrities – leading to the kind of innovations



**The demand for organic dry fruits, nuts and healthy seeds should see a manifold growth over the next 3-5 years. This boost in demand will be driven by three factors – a choice of healthy lifestyle, increased awareness about organic products, and lowering of costs and prices of organic products.**

— **Mukesh G Dattani**  
Partner, Regency  
Spices LLP



that we see these days,” states Shaswat Goenka of Spencer’s Retail.

His views on the snack category are strongly backed by Dinika Bhatia, whose Nutty Gritties brand has been engaged in bringing innovative offerings to consumers. With a legacy in the Indian dry fruit industry going all the way back to 1887, Nutty Gritties boasts of products such as its dry fruit blend, which has become a household product for many consumers. It also sells a limited edition range in which it has been constantly innovating by bringing in new flavors in nuts like coconut almonds, coffee almonds, wasabi fusion cashew nuts, berry boost and much more. Nutty Gritties also retails on-the-go single-serve snack packs in its healthy exotics range and trail mixes that make for healthy snacks with a great taste.

Says Bhatia: “Our strength lies in innovation and constantly developing new products and flavors to suit all palates. We understand our customers and respond to their needs promptly. Our flavor consistency and coating is the most uniform across the market and, that too, made without a single drop of oil. The seasoning adheres to the product and doesn’t settle at the bottom of the pack. Thus, we understand the need for healthy snacking without compromising on taste.” The brand is working on aggressive plans for growth in the future and collaborating with its retail customers and partners to grow the categories and even build new categories.

“For us, solving a customer need is top priority, be it a direct customer or a channel partner. We are using technology to make better decisions that will benefit everyone in the supply chain. Besides innovation and R&D, fast response time and quick decision making is also our forte. We are also building a passionate team that will work as brand owners to spread the product across the country,” she adds.

With health becoming increasingly important for Indian consumers, new product launches are highlighting their better-for-you credentials,



such as in the form of the ingredients used or the nutritional benefits offered. Nearly a quarter of adult Indians who consume snacks are willing to pay extra for lower calorie content snacks, says a Mintel survey. According to Mintel Global New Products Database, snack food launches that claim low/no/reduced cholesterol have been growing impressively. Snack launches with high/added fibre grew 46% in 2016. In terms of new products, nuts led the overall snack category with 21% of launches in India in 2016. Globally as well, there is a growing interest in nut mixes as they are seen as a snack that is both healthy and indulgent.

“Healthy snacking is on trend and is definitely playing a huge role in our item assortment, merchandising, etc.,” says **Sunil Sanklecha, Managing Partner, Nuts ‘n’ Spices**, which runs 32 specialty stores in Chennai, Coimbatore and Puducherry. The store stocks imported chocolates and biscuits, dry fruits, low calorie namkeens, oil-free papads, mixtures and other diet snacks for fitness freaks and serves as a one-stop destination for a whole lot of snacking ideas. “Our primary focus is on value-added products like dry fruits, nuts, premium health foods and other food products associated with health and wellness,” states Sanklecha, adding that putting healthier options into the hands of families and kids plays a critical role in the impulse purchasing behavior of consumers and that further innovation in the healthy

PREMIUM DRY FRUITS  
SINCE 1887

# Nutty Gritties™



100% Real  
and Natural  
Ingredients



Roasted without  
a single drop of oil



Loads of Protein,  
Antioxidants and Joy

Also available in On-The-Go snack packs

Nutty Gritties is an innovative snacking brand with a legacy in the Indian dry fruit industry since 1887 and an absolute non-negotiable focus on quality.

We source our dry fruits from the finest quality facilities from around the globe and all products are double-sorted, graded and processed in-house.

**HEALTHY BASICS** : Jumbo California Almonds, Jumbo Cashew Nuts, California Walnut Kernels, Indian Long Raisins, Dry Fruits Blend, Jumbo Roasted Pistachios, Jumbo Roasted Almonds, Jumbo Roasted Cashew Nuts

**HEALTHY EXOTICS** : Thai Chilli Blend, Barbeque Almonds, Southern Pepper Cashew Nuts

**LIMITED EDITION** : Berry Boost, Saffron Cashew Nuts, Barbeque Blend, Coconut Almonds, Wasabi Fusion Cashew Nuts, Honey Sesame Almonds, Coffee Almonds, Vanilla Cinnamon Almonds

**DRB Foods** DRB Foods Pvt. Ltd., C-80, DDA Sheds, Okhla Industrial Area, Phase -1, New Delhi - 110020

**M** : +91-9910768885 | **E** : info@drbfoods.com | **W** : www.nuttygritties.com

SHARE YOUR NUTTY MOMENT WITH #NUTSAT4PM

   NUTTYGRITTIES



**We possibly have one of the most unique ranges of trail mixes in which we have combined some of the finest ingredients to create a high quality product. Another competitive advantage that we have is our flexibility. This helps us in customizing the products as per the requirement of customers.**

— Savinay Jain  
Founder & CEO, NewTree

snack segment will fuel future growth for both retailers and manufacturers.

At top retailers like Spencer's, SPAR and HyperCity, the trend in the snack category is for items that satisfy the snack cravings but are guilt-free due to their better-for-you attributes, which include a low glycemic index, low sodium, high fiber and protein, and omega-3 content. Retailers believe that the two most important factors that will drive the growth of the snack category are a commitment to healthier choices and diversity in offerings that appeal to niche consumers (i.e. organic, gluten-free, etc.). There exists a big opportunity for retailers and manufacturers to shine the spotlight on the latest choices for health-minded snackers through sampling efforts, consumer education and unique promotions.

Healthy snacks with ingredients such as fiber and high protein content beneficial in improving digestion will increasingly support the market growth. Additionally, ongoing R&D activities in healthy snacks to add healthy ingredients for better nutritional support will further fuel the growth of healthy snack market. "Given our large ambition in the snack category, our innovations are aligned to key drivers of the category in terms of value and price points," reveals Goenka, adding that the number of healthy snack options available in the market today have multiplied tremendously. "This trend is further influenced by the high visibility and success in sports, fitness and proliferation of health centres and gyms, communication around health

measurement and monitoring devices, as well as by relevant and strong messages from leaders, sportspeople, health experts and celebrities," he adds.

"The irony of our society today is that we are overfed yet malnourished. This is something I have realized in my 10 years of experience as a nutritionist. As a company, we have taken into consideration the progression in the demand for natural, organic, vegan, gluten-free and fortified foods. Our customers are becoming more self-aware about things such as clean label, preventative diets and health issues and our brand is sufficiently prepared to provide sustainable solutions and best choices to consumers in keeping with our belief that there is a strong need for trusted and tasty food brands in India, says **Kajal Bhatia, Founder, eighty20**, whose line of whole food health bars are totally gluten-free, vegan and natural, which aids easy digestion and nutrient absorption.

"eighty20 was founded to promote a balanced ratio for sustainable lifestyle choices, which includes a food plan of 80% healthy and 20% indulgence. Our health bars include the energy rich Morning Bar, the Evening Bar and the Workout Bar. These bars have been designed to cater to those aiming to improve their overall health quotient and to support active lifestyles with the creation of functionally-relevant food recipes in the form of energy bars," adds Bhatia, pointing out that eighty20 products are unique as they satisfy the demands of the rapidly-growing health revolution taking place within the food industry while giving equal importance to taste.

The company is meeting its consumers' needs with regards to their nutritional intake, relative to the time of day and is making products tailored to suit the nutritional requirements of its consumers

at a very specific scale. With a wide customer outreach spanning various markets, the products are available in Mumbai, Pune, Goa, Dubai and Qatar, and are on their way to be launched in Singapore and Bahrain. "eighty20 is the first health bar manufacturer in India to use plant protein in its products. This ingredient proved extremely challenging to incorporate into our line of products, but now, we take immense pride in it. However, the differentiating factor is the honesty of our product as well as its ability to be tasty while simultaneously being healthy," informs Bhatia.



# AN IRRESISTIBLE COMBINATION OF CHIPS AND DIPS

MRP  
₹30



POWER OF RAGI | ON THE GO SNACKING



BELOW 200 CALORIES

# DIPSTERS

By *Snackible*

FOR QUERIES, CONTACT: 7677099099

### Popularity of plant-based snacks

With health consciousness on the rise, plant-based snacks are becoming increasingly popular. They include non-traditional chips made from lentils, rice, beans, quinoa, jicama, chickpeas, etc. Several snacking items today include ingredients from grass-fed cows, meat alternatives and healthy sweeteners. Each of these products is focused on addressing specific shopper needs like gluten free, lactose intolerance, allergy-friendly, etc. Snack makers and marketers see a big opportunity in maximizing the health positioning of their products and many players are coming out with products that prioritize the use of natural products for providing consumers with healthy alternatives which can help attract loyal customers.



**All dry fruits can be used as snack items. Our products are used in many industries and consistency and uncompromising standards for quality are what have made us a renowned brand. We have a strong working dynamics with producers, manufacturers and age-old bonds since 1850.**

— **Atin Monga**  
Proprietor,  
Harmilapi Impex

Take the case of Nutrivative Foods, which believes in setting high standards in all aspects and practices of procuring, manufacturing and retailing organic foods and whose goal is to provide the most nutritious food so that people can embrace a healthy and active lifestyle without any compromise. “We believe that including natural, organic and wholesome foods in our diets can have a major impact on our lives and communities. Through our brand Nourish You, we retail superfoods such as quinoa, chia, sunflower, pumpkin, flax and watermelon seeds and value-added products of quinoa-based muesli. Nourish You, when launched, was probably the first indigenous brand that retailed Indian grown quinoa and chia in India,” says **Rakesh Kilaru, Director, Marketing, Nutrivative Foods Pvt. Ltd.**

Nutrivative Foods sells products that are targeted at consumers who are into organic foods, health and wellness, and people who are fitness enthusiasts interested in exploring new kind of foods, which have better nutritional value. “The age group we target is about 18-50 years. Our core audience is from 18 years to the late 30s and we see female shoppers take a 62% share of our product sales as compared to the male shoppers,” shares Kilaru. His company currently manufactures more than 25 varieties of quinoa, chia and a few new products in



the pipeline.” Our biggest USP is our intensive R&D and our farm-to-fork model. Our intensive focus on R&D has led us to have the best quality seeds in the market. This helps us be a step ahead of our competition and always have a better product.”

To capitalize on the increasing consumer demand for healthy plant-based snacks, STK Food Processing Pvt. Ltd, under its brand Popmak, has introduced roasted makhana, jowar puffs and barnyard millet puffs in its offerings. “These are extremely healthy mid-meal snacks and anyone who is health-conscious is our target consumer. Children are very fond of makhana and form a major chunk of our consumers. Teenagers and adults find it guilt-free and an ‘anytime snack’. Oldies like the fact that it does not upset their digestion,” says **Sangita S, Director, STK Food Processing Pvt. Ltd,** a startup formed with a vision to create truly healthy snacks.

“Our focus is to address the consumers concern with regard to the ingredients list, nutrition chart and other concerns in respect to health. We are relentlessly working on how to make healthy snacking easily available and affordable. Consumers can have our products without giving it a second thought, adds Sangita, while pointing out that snacks for pre-diabetics and diabetics is another segment coming up with lots of potential. “We have come up with an entire range of sugar-free flavors made in natural salts. Many dieticians are recommending Popmak to their patients and a Pune-based diabetic care program ‘Freedom from Diabetes’ has referred to Popmak as a healthy mid-meal snack in one of its seminars.” The brand is currently available in major Indian cities and it has also registered its trademark in countries such as the UK, Mauritius, the Middle East, Switzerland and the USA with an eye on expanding its product base overseas.

For a product like makhana, roasting is a very crucial aspect of the manufacturing process and it is critical to develop a process that ensures that the product is uniformly roasted and stays crispy for a longer time. “We ensure that the sourcing, quality of ingredients, process, timings, packaging, etc,



# READY TO EAT ROASTED MAKHANA!!



# POP MAK



Available At



Business Enquiries :  [info@stkfoods.in](mailto:info@stkfoods.in)  
 +91-9503635668 / 9225613845  
 [www.stkfoods.in](http://www.stkfoods.in)



**We manufacture a complete range of nuts, dried fruits, fusion, peanut butter, apple cider vinegars including homegrown and imported products and we are one of the largest importers of dry fruits and dried fruits in southern India, catering to every budget and taste.**

— **Vikas D Nahar**  
Founder, Happilo  
International Pvt. Ltd.

are foolproof and thorough. We source the best quality makhana. The size of makhana does not alter the nutrition but a bigger size is delightful for the consumer. We make sure that each and every ingredient that goes in the packet is extremely safe as our consumers generally binge in bulk. The seasoning blends are carefully made by the R&D team. Certain ingredients are declared as safe by the FSSAI/ FDA but if we feel that they can be eliminated as they are not adding value, we replace it. Maltodextrin, HVP, starch – we eliminate such ingredients wherever possible without compromising on taste. We avoid dairy owing to the current state of the industry. We have also replaced vegetable oil with filtered peanut oil,” reveals Sangita, noting that Popmak consumers have welcomed these changes and the product has been very well received in the market.

The Indian snack market has always been known to surprise and delight its consumers with innovative and great tasting offerings. The new flavors are inspired by the food culture and the fun spirit of Indians. By tweaking their product offerings to suit the taste of Indian consumers, snack brands have launched new variants of the products to cater to specific demands and tastes, which have widened the consumer base. Makhanawala Natura Foods is one company that has been courting success by mingling makhana (fox nut/ lotus seed) with unique flavors in unexpected ways to come up with brilliant combinations preferred by all age groups, including kids, fitness lovers, and even diabetic people. Its



existing flavours of roasted makhana include spicy Indiana, cream & onion, cheesy Italiana, salt & pepper, pudina punch, peri peri, khatta meetha, sweet barbeque, and Himalayan pink salt.

“Makhanawala’s objective is to provide healthy and nutrient-rich snacks to all age groups. Our efforts are directed at coming up with brilliant combinations of flavors to soothe taste buds. We believe in ‘Health with Flavour’, and all our products are developed in a way that is extremely high on the health quotient without compromising on taste. Our high-energy snacks are packed with protein and fiber in different flavors. You can take our nutrient-rich pack with you wherever you go and use it whenever you need it. We can show you how delicious, nutritious and satisfying healthy eating can be,” says **Alpana Sahane, Director, Makhanawala Natura Foods Pvt. Ltd.**

Makhana is low in fat and high in carbohydrates, which makes it nutritionally distinct from other nuts. These nuts are rich in protein, carbohydrates, fiber, magnesium, potassium, phosphorus, iron and zinc. “All these nutrients have given makhana a reputed position in Indian recipes, especially as an ideal food during the fasting rituals. This fully organic non-cereal food is normally grown in stagnant water and is better than dry fruits like almonds, walnuts, coconut and cashews in terms of sugar, protein, ascorbic acid and phenol content. A balanced intake of makhana regulates blood pressure, relieves numbness, and helps respiratory system, veins and digestion. It also contains 12% protein, thus adding to its benefits, especially for vegetarians,” notes Sahane, whose family ventured into the business of raw makhana 80 years ago. The company is one of the leading suppliers of raw makhana today and with the advantage of backward integration, it has ventured into developing this wholesome nutritious aquatic crop into ready-to-eat healthy snacks, which can fulfill the nutritional needs of individuals and become a household snack product known for its nutritious ingredients and delicious taste.

As consumers make food choices that are part of a well-balanced diet while still seeking great taste and variety, makers of on-the-go chips and dips snack see strong category growth potential. “Snackible was launched in 2015 with an aim to make healthy snacking tasty, convenient and affordable. We started with an online focused model and continue to sell on our website, www.snackible.com. We have serviced over 70,000 orders in over 200 cities across the country,” says **Aditya Sanghavi, Founder & CEO, Snackible (Lightsaber Food Ventures Pvt. Ltd).** Snackible recently launched





Follow Us On :  

# MAKHANA WALAS<sup>TM</sup>

# FUEL YOUR LIFE WITH OUR HIGH QUALITY MAKHANA



**Makhanawala Natura Foods Pvt Ltd.**

GAT No.1141, Milkat No.1156, Wadaki, Tal- Haveli Pune 412308

Consumer Care No.: +919766078077 | 9765390128

Email : [info@makhanawala.com](mailto:info@makhanawala.com) | Website : [www.makhanawala.com](http://www.makhanawala.com)



**Healthy snacking is definitely playing a huge role in our item assortment, merchandising, etc. Our stores serve as a one-stop destination for a whole lot of snacking ideas and we stock imported chocolates and biscuits, dry fruits, low calorie namkeens, oil-free papads, mixtures and other diet snacks.**

— Sunil Sanklecha  
Managing Partner,  
Nuts 'n' Spices

its sub-brand Dipsters, an on-the-go chips and dips snack for Rs. 30, with a vision of penetrating over 20,000 retail outlets across India. “We’ve got a variety of products that cater to different taste palates, both sweet and savory. The savory variants include flavored ragi chips along with sought after dip flavors such as spicy mayo, cheesy jalapeño and makhani dips. The sweet variant, one of our bestsellers, has crunchy waffle chips that go with a chocolate dip. In the last six months Dipsters has become over 60% of our revenue mix. We see a strong potential in spreading the reach of Dipsters and any other product in the range of Rs. 25 to Rs 40 across the country,” says Sanghavi.

As people’s perceptions of dips are shifting from being used not only as a party platter option, but also as an everyday snack, Snackible has seen an overwhelming demand for its products, prompting it to quickly diversify its sales channels to enter HoReCa and retail soon after its launch. “In India, we are culturally and inherently dippers. Whether it’s samosas, idlis, dosas or dhoklas, as Indians we enjoy the combination of wet and dry snacks. Dipsters is a great impulse purchase off the store shelves by anyone ranging from school/college students to their parents. Given the price point, we are looking at an audience between the ages of 6 and 40 across Tier I, II, and III cities in India. We are servicing some of the leading modern trade chains, general trade stores, hotels, cafes and corporate canteens across the country,” adds Sanghavi whose brand is engaged in creating a snacking experience that combines healthy chips with dips in convenient packaging and at an attractive price point.

Using healthy components such as ragi and providing attractive and innovative dipping options like makhani dip, Snackible is providing its customers with a unique snacking experience by breaking the monotony that tends to be prevalent in the low-priced snacking industry. “At Rs. 30 we provide 50 grams of the product, which offers significant value to our customers. The price to value ratio of the product is superior to any competitor in the market with a similar offering,” says Sanghavi.

The company has tied up with leading Modern Trade outlets across India and is working to ally with other key retailers. In General Trade, it has an influential presence in the Mumbai market where it is available in over 1,500 outlets. “We are supporting our sales with sampling activities and various methods of visual merchandising. We are now in the process of expanding across 40 cities in India. However, our main focus will be on developing in Mumbai, Bangalore and Delhi over the next few months. Modern Trade accounts for 30% of our topline and the rest comes from General Trade,”



discloses Sanghavi, adding that the brand already has five variants of products with Dipsters Makhani Dip & Spicy Ragi Chips being the latest addition even as it is looking to add another sweet variant with a hazelnut chocolate dip in the near future.

As in the case of Snackible, there is now a steady growth in the use of traditional grains as an ingredient. Snack launches that use ragi as an ingredient are growing and the same holds true for makhana or fox nut snacks. Corn-based snacks are also growing in India, with product launches increasing in recent years. Branded popcorn, specifically, is witnessing an increasing number of launches. “As we foray into retail space, we plan on launching a range of regional flavors that cater to different regional tastes in India. Being market leaders in this product category, we currently sell a variety of flavors that reinforce the international



# Dnuds dry fruits for great health

NUTS | BERRIES | DRIED FRUITS | SEEDS & MORE



**Dnuds Mango** Dried

- ✓ Energy booster
- ✓ For good bone health
- ✓ For healthy skin
- ✓ Anti aging Helps in muscle growth
- ✓ Helps in can
- ✓ Helps in risk
- ✓ Aid in digest

Healthy Snacking For Better Living!  
Vacuum pack inside for fresh dried Mango

**Dnuds Goji Berry**

- ✓ Helps maintain blood sugar
- ✓ Helps in weight loss
- ✓ For good eye health
- ✓ For healthy skin
- ✓ Fibre rich

Healthy Snacking For Better Living!  
Vacuum pack inside for fresh dried Goji Berries

**Dnuds Prunes** Dried

- ✓ Anti aging
- ✓ For good eye health
- ✓ Helps prevent heart disease
- ✓ For healthy and glowing skin
- ✓ Good Brain Health
- ✓ Helps in cancer prevention
- ✓ Strengthens the Immune system
- ✓ Helps maintain Electrolyte Balance

Healthy Snacking For Better Living!  
Vacuum pack inside for fresh dried Prunes

**Dnuds Chia Seeds** Raw

- ✓ Low Blood Sugar levels
- ✓ Rich in Manganese and Zinc
- ✓ Excellent Source of Protein
- ✓ Gluten Free
- ✓ Rich in Antioxidants
- ✓ Rich in Omega-3
- ✓ High in Fiber

Healthy Snacking For Better Living!  
Vacuum pack inside for fresh Chia Seeds

**Dnuds Cranberries** Dried

- ✓ Aids Certain Types of Cancer
- ✓ Urinary Tract Infection
- ✓ Blood Pressure
- ✓ Heart Healthy
- ✓ Digestion
- ✓ Immunity

Healthy Snacking For Better Living!  
Vacuum pack inside for fresh dried Cranberries



**PRODUCTS:** Dnuds Dry Fruits is an established name in supplying quality Dry Fruits, Dehydrated Fruits, Berries, Seeds & more. We take pride in ensuring the highest quality, with wholesome, tasty and pure products.

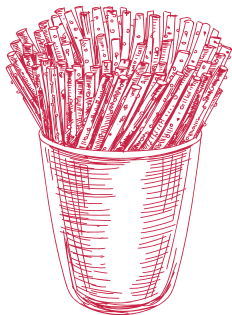


**HARMILAPI IMPEX:** NIL 4-B, Ground Floor, Malviya Nagar, New Delhi 110017 (INDIA)  
**E:** harmilapiimpex@yahoo.com, **W:** www.dnuds.in **T:** +91 11 41831889, **M:** +91 9811655648



“  
Our health bars have been designed to cater to those aiming to improve their overall health quotient and to support active lifestyles with the creation of functionally-relevant food recipes in the form of energy bars.”

— Kajal Bhatia  
Founder, eighty20



trend of gourmet popcorn in India. We are seeing a change in trend when it comes to consumers accepting ready-to-eat popcorn much more easily. Our products aren't targeted at a particular income group or age group as popcorn is something that is widely consumed by all. We prepare our popcorn using authentic techniques and the finest ingredients, ensuring richness and freshness in every kernel. It is the newest food item in the market and is healthy, innovative and loved by all age groups,” says Chirag Gupta of 4700BC Popcorn.

As the range of popcorn flavors keep getting bigger, Timla Foods' PopiCorn has introduced over six different flavors and with loads of more innovation to come. “Taste is the biggest USP of our PopiCorn and we have kept things very simple. Our prices are very competitive and all our product ranges start from Rs. 5 and cost less than Rs. 50. We have great ambitions to show the world that you can build a successful business that cares about more than just profit. We're proud to call ourselves India's favorite little snacking company, and we're still growing,” says Timla Foods' Gowriraju.

Like popcorn, corn chips are seeing significant growth, with the entry of a number of snack majors into this category. “As consumer knowledge and interest in the health space continues to broaden, the category of health and wellness foods is expected to grow at 25% year on year and is projected to be a \$4 billion business by 2023. It is currently at \$1.5 billion,” says Kajal Bhatia of eighty20. Given the bright prospects ahead, snack companies can bet on a winning strategy by developing, packaging and marketing snack products that align with consumers' tastes and their buying tendencies.

### Players focus on premiumization, new variants and launches

Premiumization is another major trend in the snack industry as consumers are increasingly demanding products with high quality ingredients, exotic flavors and innovative packaging. In fact, in the past couple of years, the market has witnessed considerable growth of premium brands, such as MAXX potato chips from Lay's and Cornitos and Mexitos tortilla chips. Other players, such as LT Foods launched 'Kari Kari', a premium rice-based snack in the last quarter of 2017, in spice mania, salt pepper, wasabi and chili garlic flavors, planning to capitalize on the growing premiumization in India. “There are going to be considerable product launches in premium snacks in the near future, such as poppables potato snacks from Pepsico Inc in India. Pepsi has been strategizing to capitalize on its premium product portfolio to drive volume growth and improve bottom line performance. Though the savory snacks market is quite mature, it is witnessing increased product launches. For instance, Pepsico Inc. announced the launch of Kurkure with reduced salt in April 2018. DFM Foods Pvt. Ltd launched a new range of Crax Curls, cheese balls, in January 2018. A similar activity was also undertaken by ITC Ltd, whereby they launched Bingo No Rulz,” informs Roy of Euromonitor.

To cash in on the premiumization trend, brands like Timla Foods' PopiCorn is working on new and innovative products and packaging, which it hopes to bring to the market by the third quarter of this year. To better engage with the consumers, it has launched a single or portion pack apart from expanding its range to be in step with the

# MADE OF GOODNESS.

At Fespro we believe in good. Doing it ourselves and delivering it, in everything we do. Because we believe that everytime a Fespro is served, it is goodness that is served.



#### Current Offerings-

Healthy Breakfast Cereals, Instant Breakfast options and Healthy range of Pasta among others.

- Fespro is a brand promoted by leading Food-o-crats and marketing professionals.
- It is a brand that pursues a work ethic of mutual trust and transparency.



**Fespro**  
فيسبرو

The Taste of Goodness





“  
**We believe that including natural, organic and wholesome foods in our diets can have a major impact on our lives and communities. Our brand Nourish You retails superfoods such as quinoa, chia, sunflower, pumpkin, flax and watermelon seeds and value-added products of quinoa-based muesli.**

— **Rakesh Kilaru**  
 Director, Marketing,  
 Nutrivative Foods Pvt.  
 Ltd.

new emerging demands in the category. “The category seems to be growing at a decent pace with premiumization. With an increased amount of international travel, consumers are increasingly aware of products available across the globe and the innovations happening in the category. Due to these positive trends, coupled with an increase in the wallet share, we believe premium gourmet and innovative products will continue seeing attractive growth. We are hopeful of clocking an estimated 30% Y-o-Y growth in the next three years, if not more. From just two stores in June 2016, we are now present in 35,000+ outlets across the country. We aim to capture a major share of the alternate snacking market in India with a market reach across 50+ cities spread over more than three lakh outlets and a turnover of Rs.1000 crore by 2022,” confides Gowriraju.

This optimism on the premiumization trend is getting stronger and the resultant growth is shared by many other players. “The breakfast cereal category is currently worth Rs. 3,000 crore and last year, our contribution to the category as an SME was around 0.1% with sales of about Rs 4 crore. This



year, we expect to achieve 1%-2% of sales in the category. Similarly, the pasta category was valued at 286 million USD of which our share was about 0.4% of sales at about 0.6 million USD to the category, which we consider is a pretty good figure to look as these figures strengthen our hopes of reaching a 1.5%-2 % contribution to the market sales this years,” says Bairoliya of Fespro Foods. The company grossed sales of about Rs. 720 lakh in FY 17-18 and expects good growth numbers ahead. “We expect to reach Rs. 900 lakh to Rs.1,000 lakh in turnover this year. Our country has 5,000 plus Modern Trade outlets and counting, so our game plan right now is to place ourselves in as many of these Modern Trade outlets as possible so as to increase our reach to customers and consumers.



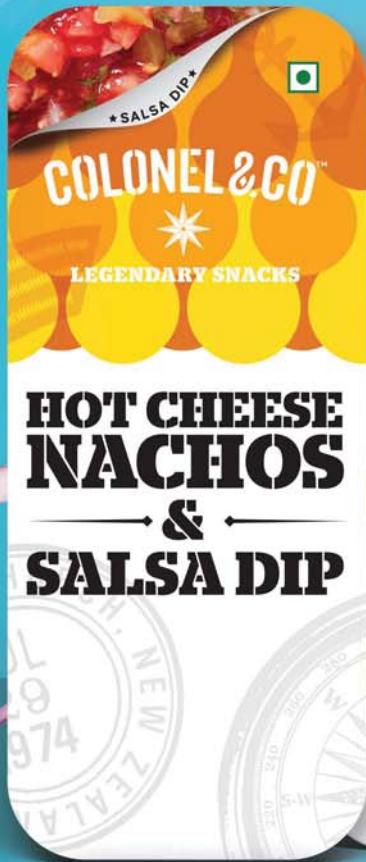
According to Kilaru of Nutrivative Foods, “We are doubling our revenue every year since our inception. We have been able to do this with only a minimal presence in the organized retail market (currently, we are present extensively only in Hyderabad with a decent presence in the other metros) and online. We intend to aggressively expand into other metros and Tier 2 cities and quadruple our revenue growth from next year onwards. Also, we do private labeling for many bigger brands.” He says that Nutrivative Foods has been able to corner a share of about 20%-25% across GT, MT, and Bulk put together.

Y.V. Vijay Kumar of D.C. Johar & Sons says: “The support from our retail and food services partners along with the consistent quality of our brand is bringing back consumers and spurring consumer recommendations for our Walkers Shortbread biscuits and cookies. Quarter to date, we are well above our targeted 50% growth and see this strong trend continuing for the next three to four quarters ahead.” Sanghavi of Snackible, says: “We are currently at a stage where we’re expanding efficiently and swiftly. In Maharashtra, we have a prominent presence in Mumbai, Pune and major satellite cities. We have already started in Bangalore and Delhi/ NCR regions and intend to further grow our presence in the next six months. We are in the middle of growing our reach along with our sales team and intend to be present in over 20,000 stores across India by 2020.”

The series of product launches signify that the market has considerable potential for newer products and variants. It will not be surprising if there are more traditional snacks launched in the near future. With healthy living and premiumization being a major trend, the launch of different variants, especially from the perspective of taste and ingredient, is evident. The market in the Tier II and



**COLONEL & CO™**  
★  
**LEGENDARY SNACKS**



**THE BEST WAY TO  
COMBAT HUNGER**

[www.colonelandco.com](http://www.colonelandco.com) |  ColonelandCo  ColonelandCo  colonel\_co

For distribution enquiries call +91 88794 70670  
or write to [nipun@fizzyfoodlabs.com](mailto:nipun@fizzyfoodlabs.com)



“  
We are relentlessly working on how to make healthy snacking easily available and affordable. Consumers can have our products without giving it a second thought. We have come up with an entire range of sugar-free flavors made in natural salts for pre-diabetics and diabetics.

— Sangita S  
Director, STK Food Processing Pvt. Ltd.



Tier III cities, along with the rural market, will be key growth areas for the savory snacks category.

“Healthy, clean eating will be the ruling trend in the future. Organic, raw, gluten-free – it’s all popular and will continue to gain traction. Plant-based protein is hot right now. Complete proteins like soy, quinoa, and chia seeds are popular, as are peas, broccoli, and spinach. Customers are looking for snacks that supplement their diet without adding unnecessary sugars and carbs. As convenience is a priority these days, individually packaged, single-serve snacks will increasingly complement consumers’ on-the-go lifestyles. Prepackaged snacks are also popular as they are portion controlled and take away the stress of overeating. They can promote weight loss and a shift towards healthy living. Kid-friendly snacking is also on the upswing. Kids are major snackers and the products they like tend to get the most airtime. So if you’re striving to reach kids, create a snack that’s simple, easy to prepare, and healthy. The consumers are looking forward to healthier and flavorful options in the food market,” opines Rajan Vadalia of Vadalia Foods.

“In the product categories we function in, a lot of innovation and disruption is happening. In the breakfast cereal category, brands and companies like ours are giving new, convenient and also a ready-to-eat variety of products. The boom, right now, in this category is in the ‘savory oats’ segment. This particular product appeals more to the Indian consumers because Indian consumers like to have a hot breakfast and it makes them feel satiated. Also, the savory taste appeals to their rich palate, which is full of savory receptors. This product is creating disruption in the category and we are also working on it. As for the pasta category, it is at an evolving stage. First came macaroni, then came pasta in different shapes, then instant pasta and now we have introduced high protein, multigrain, lentil and veggie pasta, which have proved to be sheer disruptors in the category. Organic and gluten-free pasta are also becoming prevalent in the category as the demand for chemical-free foods and beverages is picking up significantly,” avers Pankaj Bairoliya of Fespro Foods.

The shift in people’s perception towards health foods and gourmet foods has helped brands like Happilo to emerge successful in their categories. “Today, our products are known for their quality and taste and have contributed to the top selling



range of various online and offline retailers. We started with the basic range of dry fruits and dried fruits initially and currently have 50+ varieties of health foods. With a massive state-of-the-art production facility with a capacity of producing 40,000+ quality units per day, we have planned to add more to the basket offered to our consumers,” says Vikas Nahar, adding that the gourmet industry is growing at a rate of 20% per year in India and will take many decades before becoming a saturated market. “Our products are growing at an even higher rate. We have witnessed a 20% continuous growth rate every month in the last year and there is no limit to our growth. We are absolutely not looking for a number to limit the possibility of our growth opportunities.”

#### OPPORTUNITIES AND CHALLENGES AHEAD

The faster pace of urbanization is presenting manufacturers with immense opportunities to venture into new products and regions across India and promote their brands. “We believe that there is a direct relationship between the sales of other products in a retailer’s store and the presence of snacks. On-the-go customers always buy snack items and sales in other categories depending on the time the customer spends on the purchase of snacks. If you observe the retail outlets on highways and in rural areas, maximum display area will be hogged by the snacks category among all other products. Hence, there is a willingness to allocate more shelf space and give more weight to this category even though the margins are just about reasonable as it leads to the sale of other products in the shop,” opines Avinash Tripathi of Godrej Nature’s Basket.

So, are retailers predisposed to giving more shelf space to the category? “Being the pioneers in makhana segment,





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

[www.indiafoodforum.com](http://www.indiafoodforum.com)

# BLOCK YOUR DATES

for the 12<sup>th</sup> edition of



**5<sup>th</sup>-6<sup>th</sup> FEBRUARY 2019**

**Renaissance Hotel, Mumbai**

CONCURRENT SHOWS



Organised By



**Association & Partnerships**

Lokesh Arora: +91-9999033612 | [lokesharora@imagesgroup.in](mailto:lokesharora@imagesgroup.in)

**Delhi:**

Ridhi Sood: +91-8447880949  
[ridhisood@imagesgroup.in](mailto:ridhisood@imagesgroup.in)

**Mumbai:**

Savita Vasandi: +91-9833145494  
[savitavasandi@imagesgroup.in](mailto:savitavasandi@imagesgroup.in)

**For Delegate Registration:**

Sarika Gautam: +91-9717544226  
[sarikagautam@imagesgroup.in](mailto:sarikagautam@imagesgroup.in)

**Kolkata:**

Piyali Roy Oberoi: +91-9831171388  
[piyalioberoi@imagesgroup.in](mailto:piyalioberoi@imagesgroup.in)

**Bengaluru:**

Ekta Roy: +91-9811635408  
[ektaroy@imagesgroup.in](mailto:ektaroy@imagesgroup.in)

**For Privilege Membership:**

Anil Nagar: +91-9811333099  
[anilnagar@imagesgroup.in](mailto:anilnagar@imagesgroup.in)

we initially witnessed a lot of resistance from the retailers owing to the voluminous nature of the product and the MRP. Gradually, they have realized the potential that the category has. Our experience is that the consumer wants to keep a ready stock of healthy snacks available at hand for the entire family and hence, they purchase in bulk. That looks very lucrative for the retailers now. Many retailers have increased space allocation to five to seven times of what they used to allocate earlier,” observes Popmak’s Sangita.



success story wherein regional retailers have shown interest and supported us in commercials and visibility, leading to incremental sales and an altogether new category creation for the retailer,” confides Bhatia.

With nuts and dried fruits emerging as a healthful snacking option, retailers must provide for their secondary placement in the

breakfast cereals category besides having snacks and check-out spaces in retail stores, feels Dattani of Regency Spices. “As an importer and a brand ourselves, we are now aggressively pricing these products to build volume and retailers must pass on these benefits to consumers to drive consumption. Category managers and merchandisers should look at partnering with private brands to jointly build this category.”

But while quality and taste are important sales drivers, affordability, too, is important. According to Mintel research, the affordability factor creates an opportunity for health-focused or organic brands to reach millennials with low-cost snacking options. “Our range of Happilo snack packs start at Rs. 25 and they offer a healthy alternative to junk foods for our consumers. At Happilo, we have been innovating a lot with our product range, setting trends in the gourmet industry and will continue to set new trends with the latest range of exotic and gourmet items,” says Nahar. According to Rashmi Sahoo of Om Oil And Flour Mills, “Pricing and promotion have always been vital in our improved performance. Ruchi has a wide base of loyal customers who have adapted to its quality products. To strengthen our base further and improve our performance, we accord top priority to the pricing and promotion of our products.”

Price affordability is an important consideration for millennials who are having a significant impact on most retail segments, and the CPG food category



**Makhanawala’s objective is to provide healthy and nutrient-rich snacks to all age groups. Our efforts are directed at coming up with a brilliant combinations of flavors and all our products are extremely high on the health quotient without compromising on taste.**

— Alpana Sahane  
Director, Makhana Wala's  
Natura Foods Pvt. Ltd.

“I think we are on the cusp of a major disruption in the snacks category with new brands and new products being launched. With international exposure and a growing young population, I see the demand for traditional Indian snacks decreasing and the demand for premium, Indo-Western and affordable snacks increasing, especially in the urban areas. Indians are big on snacking and with growing demand, retailers have started allotting more shelf space for snacks. In the last 5-7 years, consumer behavior has changed dramatically and is no longer restricted to buying bhujias and potato chips,” says Sanghavi of Snackible.

“For a relatively new product such as our chips and dips, the feedback that we’ve got from retailers is phenomenal. Considering the novelty of the concept, retailer adoption has been very positive. There are always a few retailers who are hesitant at first but we have seen adoption post a 2-3 month cycle with these retailers. We have also been offering space optimizing visual merchandising tools which have been taken to quite positively by the retailers,” adds Sanghavi.

Agrees Dinika Bhatia of Nutty Gritties. “There is interest and curiosity among retailers to grow and expand the category, although it requires hard work from both sides to build the category. I know of retailers who have grown the nuts category ten-fold in the past couple of years. Now is the time for growing snacking in the nuts category. This is a lucrative opportunity for retailers and they should allocate prime space in the stores to increase impulse purchase, as this is how the consumption of a product will grow.”

Moreover, retailers should support upcoming entrepreneur-driven brands as they have passion for their products. Data and customer feedback should be made available to help brands make better decisions which, in turn, will lead to growth in the sales of the retailer. “We have had a great



Flexible! Powerful! Reliable POS!

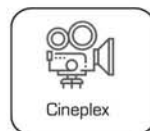
## HS-2414 All-in-one POS



Trusted by Top Retail Chain's in India



- ▶ Bezel free IP65 equivalent front screen with PCAP touch
- ▶ Higher resolution upto 1366x768 for faster billing
- ▶ HS2414 with quad-core & HS2415 with powerful core i3 first in class offering
- ▶ Upgradable upto 8GB RAM (Default 4GB)
- ▶ Powerful All-In-One optional features (POS, Printer, Scanner, 2nd display, MSR) offers flexible checkout design.
- ▶ Ideal for QSR, Food Court, Cineplex, Express Checkout Counter, High Street Stores, Super or Hyper Market etc.



**POSIFLEX Technology (India) Pvt. Ltd.**

# 985, 1<sup>st</sup> A Main, 4<sup>th</sup> Cross, New Thippasandra, Bangalore 560 075



**We've products that cater to different taste palates, both sweet and savory. The savory variants include flavored ragi chips along with the much sought after dip flavors such as spicy mayo, cheesy jalapeño and makhani dips. The sweet variant has crunchy waffle chips that go with a chocolate dip.**

— **Aditya Sanghavi**  
Founder & CEO,  
Snackible (Lightsaber  
Food Ventures Pvt. Ltd)

is poised to reap even greater rewards than most, thanks to millennials' love of snacking. Unlike generations before them, millennials find function in snacking, "whether psychological or emotional." Millennials also love to snack to stay full between meals, to replace meals affordably, to satisfy cravings, to stay energized, and because snacks are available.

To get the word out about new and innovative snack products, consumer awareness is important. Despite retailers warming up to the snacks category, many new innovative products made with ingredients like quinoa, chia, sunflower, pumpkin, flax and watermelon seeds, etc. introduced by upcoming entrepreneurs still have to face trade headwinds, at least in the initial stage.

"As I mentioned earlier, there is a distinct lack of awareness or rather very limited knowledge on this category among retailers and distributors. Convincing distributors and through them, retailers of the viability of these products is a huge challenge as there is limited shelf space and these are not fast moving items. In fact, we directly went through to the retailers instead of distributors, initially, because it was getting very difficult to find someone who saw value in these products," admits Kilaru of Nutrivative Foods.

The sentiment finds an echo in eighty20's Kajal Bhatia who reflects that though her health bars have been welcomed not only in India but also in Dubai, Qatar, Thailand and Singapore by buyers of large, established supermarket chains, it is the specialist stores, with a more customer centric focus, that have been leaders in this category. "The product does not sell on the grounds of cheap price, but instead on the basis of trusted quality and great taste," she says.

For many of the new products being introduced in the market, retailers and brands need to join hands to promote these snacks by helping consumers to shop better and buy products that suit their taste preferences. This can happen only with the combined efforts of the manufacturer, retailer and consumer, and will help pave the way for successful innovation in the snacks category.

"Most of the products that we are marketing still lack awareness and the market segment is still at a very nascent stage. As products like quinoa, chia, sunflower, pumpkin, flax and watermelon seeds, etc. are relatively new to consumers, not everyone is able to incorporate them into their regular diet. So, we are seeing a few companies working on value addition of these grains and seeds in the snack category where it becomes convenient to consume for the consumers. It may take another five years or longer for these products to be considered or incorporated as mainstream products," observes Kilaru.

For the product to attract robust sales, distribution remains a key component for any brand and more so for younger and newer brands. For a brand like Too Yumm, which scores high on the price, quality and trust factor, distribution is the final frontier to success. "We are looking to ensure a complete coverage of Too Yumm brand in MT and with at least 70%-80% penetration in GT. Our GT distribution has so far exceeded 1.5 lakh outlets and our expansions plans include getting to 5 lakh outlets by the end of this year," informs Shaswat Goenka.

"New age brands that qualify as premium offer retailers better margins and reasons to incentivize their products. There are no shortcuts when it comes to positioning new products in the market well. Availability, visibility and regular sampling are some factors that lead to higher brand recognition. Marketing solutions such as these are easier to conduct in Modern Trade as compared to General Trade. Every quarter, one can spot new brands put up sampling kiosks at busy Modern Trade outlets. While initial effort is important, product quality and taste are what inspire a repeat purchase among



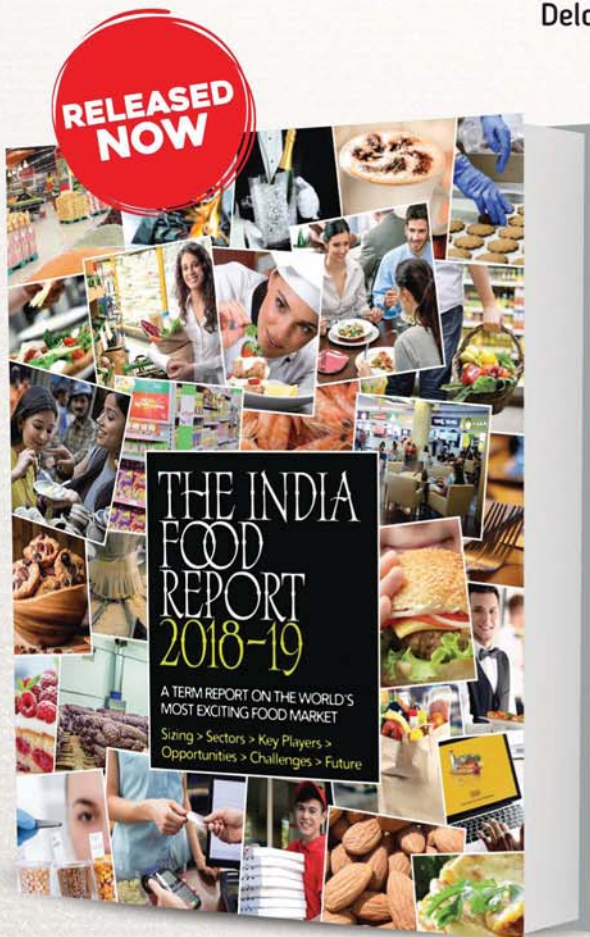
# THE INDIA FOOD REPORT 2018-19

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](http://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)**

consumers. Among the new snack ranges retailers are experimenting with, Tasty Treat by Future Group and TooYumm by RPG are taking big bets,” opines Nipun Katyal of Colonel and Co. by Fizzy Foodlabs. The challenge posed by distribution is greater for local players wanting to expand their retail reach. Companies eager to penetrate newer markets and make their presence felt are seen adopting new strategies - from exploring the online channel to having dedicated teams working on the expansion of other retail channels. Brands are leaving no stone unturned. As snackers continue to seek variety in what they snack on, they’re also branching out in terms of how and where they find snacks. E-commerce, for example, is an emerging and quickly growing source for snacks. Online channels have the advantage of subscription services, automatic fulfillment and direct marketing messages on shoppers’ screens.



**Availability, visibility and regular sampling are some factors that lead to higher brand recognition. While initial effort is important, product quality and taste are what inspire a repeat purchase among consumers.**

— Nipun Katyal  
Director, Fizzy Foodlabs

“Our sales are distributed across all the three channels almost evenly. About 45% of the sales comes from Modern Trade outlets, which include Godrej Nature Basket, Reliance, Haiko, HyperCity, SPAR, Nilgiris, Foodworld, D-Mart, Qmart, etc. Online channels contribute 30% of our sales and that is mainly because we are well placed in all the biggest online stores, including Bigbasket, Amazon, Paytm and Flipkart. The rest 25% sales is contributed by General Trade, which is being expanded rapidly and we expect the percentage to improve further. Though we have access to each and every corner of India via e-commerce, we are developing strong distribution channels in each and every format across the nation. Currently, we have 10 super-stockists, 25 distributors and 500+ stores across 20 cities. At the pace we are expanding at, we will reach 10,000 retail stores shortly,” states Happilo’s Nahar.

According to Gupta of AFP Manufacturing’s Munchons, “To increase our distribution footprint in the rural and semi-urban market, we are offering the best quality products with affordable prices to consumers as well as to trade. We are successfully expanding our consumer base with our price points (Rs. 5 and Rs. 10) and by continuously strengthening our rural and semi urban market distribution with a strong network of dealers/ distributors/ retailers backed by our ATL/ BTL activities. We are looking at capturing approximately 2%-3% market share in the branded category.” Currently, the company’s share of sales from Modern Trade is approximately 7% and the rest comes from General Trade.

He says that to grow their sales in the snack category, modern trade retailers need to adapt their category management according to region-wise products in order to grow at a faster pace. “More space for merchandising is the need of the category. Adaptation of region-wise flavors as per the local taste will match demand and supply. The understanding of reasonable margins is also a need of the organized trade market today,” avers Gupta.

As e-commerce is witnessing a tidal surge, brands have begun paying heed to this new trend besides according greater emphasis on Modern Trade. The latter is especially important for snack companies



operating in the frozen food segment. “Though e-commerce delivery is slowly becoming popular in India with its tech savvy young population, no category justifies the e-commerce delivery system more than the chilled and frozen food category due to its temperate management requirements and product handling difficulties in India. Yet for some reason, frozen food e-comm delivery has still not taken off well. The current trend is more towards frozen food retail convenience stores. Exclusive chilled and frozen food chains like Iceland in England, Picard in France, Aon in Japan, and CP Fresh in Thailand are all gaining traction and expanding. All major e-commerce delivery

companies like Amazon, Flipkart and Snapdeal are now entering into the daily grocery and gourmet foods delivery model. They are, however, yet to start chilled and frozen food products as they are still not equipped to handle temperature management issues regarding delivery,” notes Chandrasekharan of Amalgam Frozen Foods, which has set out to start its own retail cabinet presence and home delivery system Pan-India to ensure proper temperature management of its products.

“To bring this concept to motion, Amalgam Foods has set up its first ‘Buffet’ flagship retail chilled and frozen store at Panampilly Nagar, Kochi. The second and third stores have been opened in Mumbai and Bhubaneswar. These stores have met with extremely good response. The ‘Buffet’ brand is now available through e-commerce delivery in these three locations. In the next four years, the concept will be brought to 100 different locations across the country, including all major metros, mini metros, and large towns,” reveals Chandrasekharan, who wants his company to be a leading player in the frozen food segment by providing quality products at a competitive price available in any outlet with a freezer.

Commenting on the market landscape for snacks, Mukesh Dattani of Regency Spices, says: “There has been a structural shift from General Trade to Modern Trade. Consumers are rapidly increasing their spending in Modern Trade. Currently, Modern Trade contributes less than 10% of our total groups’ revenue as of today. We are looking at this share to



rise to 25%-30% in the next 2-3 years. In terms of product offerings, we are more focused on offering specialty dried fruits and spices such as prunes, dried cranberries/ blueberries, cinnamon, dehydrated fruits, Chilean walnuts, and several healthy seeds to Indian consumers. Our focus is beyond traditional products such as cashews, raisins and almonds.”

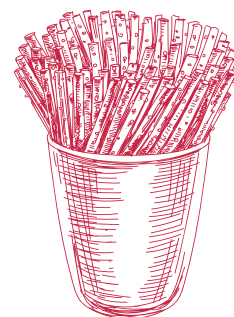
According to Atin Monga of Dnuts, “This market is mainly ruled by promotions, placement, sampling, etc. Snack brands need to work on these lines coupled with creating awareness about their products.” As far as 4700BC Popcorn is concerned, its marketing and distribution initiatives extend to initiating a number of institutional tie-ups and promotions with established names such as Cafe Coffee Day and Starbucks. “Our products also sell in major retail outlets, both online and offline, and are used as gift packs under corporate gifting solutions during seasonal festivities,” informs Chirag Gupta. On its part, brand Happilo has been undertaking all kinds of ATL and BTL activities to connect better with its customers. “We give exclusive offers via our online and offline partners and we also continuously take up active social media marketing aimed at virality. We ensure the availability of our products at all points of sale to enable customers to collect what they want, whenever they do. We also conduct samplings at regular intervals to educate the customers about various new launches.

We have been promoting gourmet foods and health foods with our affordable range of dry fruits, dried fruits and healthy seeds and will continue to do so, says an effusive Nahar. For companies like Vadalía Foods, the rural market promises to have a massive potential for the snacks industry. “By expanding our distribution channels in this market, we plan to grow our market share to 20%-25% by 2021. We are also planning on expanding our market by selling our products in adjoining states,” says Rajan Vadalía. That sounds like a good move given the fact that regional players are strong contenders in their home turf to sell their products



**Today we’re popping more than 200 tonnes of popcorn every month and selling all across India in over 10 different cities. Our aim is to scale up to 50 cities by March next year and capture over 5-7% market share in the coming years.**

— Prashanth Gowriraju  
Founder & CEO,  
Timla Foods





**We come with an experience of over 40 years in the food business and today Ruchi Group of Industries is a leading quality food processing unit that manufactures and exports quality spices, vermicelli, noodles, pasta, frozen food (RTS) and non-CSD beverages.**

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

in the neighboring states and adjoining Tier I and II cities as well. However, other regions are often left unexplored due to various reasons: product awareness in the market could be weak, consumers' exposure to the product could be low and/or because of logistical issues. In such cases, manufacturers can outsource their product manufacturing to a local franchise and then support it in marketing activities.

Taking such an approach can help brands sell their products to neighboring markets. For D.C. Johar & Sons, its retail, food services and distribution partner networks have been the reason the company has been able to offer consumers an enhanced experience. It has recently completed its sales' automation process to help it make deeper inroads in the eBusiness space and is already working on a strategy to review and ramp-up its warehousing/ logistics network infrastructure model which will put it in a favorable position for an explosive FY20. With the continued support of its retail and food services partners, the company is working towards ensuring that its brands are available at the right place, at the right time, with the right range, within the right category/ location and position.

"That is something we are constantly working on improving. In addition to working closely with retail and food services partners, our national leadership team continues to work closely with our distribution partners across the country; and it is integral to ensuring that we steer our ship in the right direction. We intend to continue supporting our market partners as well as brand partners in the way that we have in the past few years, whilst keeping in tune with the changing times and technology. While Modern Trade contributes 50% to our sales, we have been seeing an interesting upswing in the food services channel in the last quarter and anticipate this to continue further in FY19," says Y.V. Vijay Kumar of D.C. Johar & Sons, while maintaining that there is encouragement and



support by retailers in launching new brands along with range extensions, which helps each category to grow. "While juggling various tasks, most category buyers have a deep understanding of what they are doing and have been happy to extend a helping hand to brands by pointing them in the right direction for better return of investment, brand recall and consumer experience. The suggestion is to continue encouraging and supporting brands, both current and future ones, providing appropriate advice and guiding companies on how to interact with the right customer at the right store and at the right position in the store."

#### ROAD AHEAD

With regard to how retailers and CPG companies decide to approach snack products, one thing is clear: Snacking is no longer limited to consumers who want to splurge on an occasional, unhealthy treat. A report by a market research agency has a pithy observation to make: "The snacking trend is fundamentally changing the way we eat food. And with that, it presents a growth strategy for many brands. Marketers who can introduce new, fun, healthy and/or convenient ways to snack will better connect with a large snacking community."

Whatever new trends or demographic differences may arise, one thing is clear: a continued increase in the popularity of snacking will have a significant impact on grocery retailing. Retailers and CPG companies who understand the demographic groups they serve will ultimately profit most from the snacking surge. **PG**







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



**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

🌐 www.ruchifoodline.com, www.frozit.in

# Smart Snacking

With a growing focus on eating healthy, it is imperative that we make clever and well-informed decisions when it comes to snacking. Snack players constantly evolve to sell customers 'super' ingredients while the younger generation and working class is becoming more conscious of what they consume. To devise healthy eating plans, we need to look at how subsequent ailments relate to current lifestyles.

By Arun Prakash

Various snacks such as potato chips, fried savories and biscuits are being replaced with baked, roasted and dried snacks to capture the health-conscious segment.



Until three decades ago, snacking meant having snacks that were prepared hot, sundried or stored in containers by grand mothers at home. People seldom bought snacks as everything was prepared at home and there was not much available in the market either. It was a decade or two ago that the snack market slowly started emerging in India and the scene became totally different with mothers being busy and becoming dependent on snacks and convenience foods. The snacking scenario has changed with an increased number of people consuming snacks daily and making it a part of their meal. Snack consumption has increased over the years as plenty of choices and new varieties are being offered constantly. Individual snack brands have progressed successfully and created a brand value among end consumers. With the rising population and a growing economy, there is a steady growth in the demand and supply of snacks.

In recent years, healthy eating has become a fast-growing trend as more people are becoming aware of the rise in diseases caused by certain lifestyles. The working class and school-going children are the main consumers of snacks and tend to indulge in junk snacks available at their disposal. This has led to a change in their eating habits, buying patterns and varieties available in the market. Readily available snacks are chemically processed and fully loaded with preservatives. All of these affect the body in the long run and hence, there is a pressing need for healthy snacks. The keyword here is 'healthy' and its interpretation differs from person to person. Snack players are focusing on the healthy snack segment with different ingredients

that are considered nutritious. They are also modifying existing snacks by tweaking the recipes with one or two ingredients so that they give added benefits. Along with that, taste also plays a key role in establishing brand loyalty. What is considered healthy may not always be tasty since healthy ingredients do not have an addictive taste. This can be a boon for both existing as well as new snack players as it presents lucrative opportunities for expansion and innovation. The challenge will be to achieve the right balance of taste, health benefits and price.

Various snacks such as potato chips, fried savories and biscuits are being replaced with baked, roasted and dried snacks to capture the health-conscious segment. Healthy alternatives are being launched in order to please the consumer so that they are never short of variety. New snack segments such as paleo, gluten-free, low calorie and low fat are emerging based on different diets followed by consumers. Paleo snacks are common as people are going back to the basics and are trying to instill the food habits our ancestors followed. These snacks are a good option for those who want to have low calorie snacks since it is based on the concept of low carbohydrates, moderate protein and high fat. Dried fruits, seeds and nut mixes are some of the paleo snacks commonly available. More recently, the paleo sector has begun branching out beyond nuts and fruit mixes, as well as seed mixes, to encompass savory/salty snacks such as vegetable chips and grain-based crackers, as well as meat snacks.

Gluten-free snacks are the need of the hour since India has a large population which is suffering from celiac diseases. Oats is a major ingredient which is



While we see a huge market for different snack segments due to the varied lifestyle choices people make, one also needs to know about the vast benefits involved. Childhood obesity, juvenile diabetes and other lifestyle related diseases can be prevented by delaying an onset and monitoring calorie intake and quality of food. This can also result in a healthier working class, decrease the mortality rate and reduce the various health complications that lead to premature heart disease, hypertension, and increased cholesterol levels. Providing healthy snacks for children is necessary as we are responsible for bringing up a healthy generation. In today's competitive world, it is our prerogative as adults to mould smart kids and nurture healthy eating habits among them. Here, the importance of food labeling plays a key role as clear listing gives vital information on the product and its contents. **PG**

**Paleo snacks are common as people are going back to the basics and are trying to instill the food habits our ancestors followed.**

gaining momentum in the snack segment as it is being incorporated into cookies, energy bars and ladoos. Granola bars and mixes have found a new place in the market but are trying to withstand the competition received from breakfast cereals such as corn flakes and muesli. The addition of dry fruits, nuts, seeds and chocolate in granola has made the product more enriching as compared to its counterparts. Granola and energy bars are generally taken as a pre workout snack because they are made of simple carbohydrates.



**Arun Prakash is co-founder at Snackexperts and is passionate about providing healthy snacking options to his customers. His firm retails a variety of snacks that are free of margarines, chemical preservatives, shortening agents, emulsifiers, partially hydrogenated oils, artificial dyes and coloring agents.**

# ARE YOU IN?



For Membership Contact:  
Anil Nagar. +91 9811333099 | E: anilnagar@imagesgroup.in | E: www.indiaretailing.com

# Bottled Fresh, Pickled and Preserved

Neo Foods specializes in pickled and preserved fruits and vegetables grown under contract farming and is revolutionizing the way we use ingredients to flavour our food. With an average growth of more than 20% per year, the company has a large footprint in the Indian market besides also expanding overseas. Progressive Grocer spoke to Director Shalini Jalan and India Business Head Ashok Sinha on how Neo Foods has succeeded in winning new markets for its products and the importance of balancing different retail channels.



“

**We have a large variety of products, which appeal to all age groups and can be used with different cuisines for different occasions.**

— Shalini Jalan  
Director, Neo Foods

## Tell us about your products range and its presence in the market?

We have a very wide range of products. For the international market, we export pickled gherkin, jalapeno, baby corn, capsicum and different relishes. For the Indian market, our range varies from pickled vegetables like gherkins, jalapeno, onions, baby corn, olives, carrot, zucchini, capsicums to relishes, canned fruits like peach, litchi, cherry, pineapple, fruit cocktail and different sauces, baked beans, vinegars, prunes etc. Our products are appealing to all age groups as we have a large variety of products which can be used with different cuisines for different occasions. Our jalapeno and salsa sauce is great with Mexican food while gherkins and relish make scrumptious party snacks. The pizza-pasta sauce and red paprika are a must for Italian cuisine whereas baby gherkins and vinegars go nicely on salads. Our products are ready to use and give food its characteristic flavour!

## Which consumer segments are the main buyers of your products? What markets do you target?

Since we have a large portfolio of products, we cater to all customer segments. We supply directly to QSRs (quick service restaurants), to retail stores and to hotels and restaurants through our distributors. Neo Foods is exporting to UK, Germany, France, Austria and America besides servicing the Indian market. We have a pan-India presence and market and sell through our own distributors.

## What consumption trends do you observe and how do you see the demand for your products growing in the future?

The response to our range has been very positive and encouraging. Consumers have changed over the years. They are intelligent, well-travelled and are ready to experiment with food. Children play

an important role as parents are particular about nutrition and healthier benefits. Consumers want variety, affordable prices and more pressing, they want convenient food which can be prepared in a short duration of time. Our customer base is increasing and we see demand coming in from cities that were not on our market list before.

### Tell us about your retail strategy and your initiatives to spur the retail-pick of your products?

We focus on making our product available in popular stores with noticeable visibility. We've kept in touch with the market, consumers and retailers, and thus are aware of some of our once niche products gaining popularity and enjoying a larger base of consumption. We evolved our strategy



accordingly to ensure that we maximize sales through various sampling activities, by educating customers on the usage of our products, making products available at diverse outlets and ensuring freshness of the products. We work very closely with retailers to ensure that they always have their required stock of the entire range listed and that these are merchandised well. We have always focused on stock availability. Every order received by a retailer is serviced "On Time and In Full" (OTIF).

### List the latest developments related to branding in your product category.

Our passion and commitment to providing good food made with good ingredients makes us the leading player in our category. We are sensitive toward the need of our customers and to stay in sync with the new generation of customers. Keeping recent trends in mind, we have launched our products using a new logo. Our new logo reflects

a more modern outlook and captures our mission to deliver excellent quality and service via the products we provide.

### How do you aim to sell your products in newer markets and demographics?

We are very selective in entering new markets or serving new demographics and do a full market study of the city we wish to enter. We obviously create a benchmark for cities that have international/regional/local QSRs that are using our range of products. We assess whether local supermarkets have a demand for the same and if any competitor already sells in the city. Apart from major metropolitan cities, we have already penetrated the next class "A" cities and will now focus on consolidating our business in these cities.

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

Making a choice between selling online through an e-commerce store, and selling in a traditional bricks-and-mortar location can be incredibly difficult. As a company, we understand that both online and offline channels are important for our product range. We know that online retail is continuing to grow at an astounding rate, yet the majority of people in India still prefer to shop in a traditional store.

Customers appreciate the convenience of e-commerce. It is easy for them to search for a category of product. Being able to shop from home and the ability to browse at their own pace makes the process much more appealing to some customers. Purchase data is authentic and helps us analyze trends in sale (SKU wise) in different cities and in different catchments in the same city, and thus, take appropriate decisions to increase off-take.

Offline retail remains the most popular shopping channel for consumers due to its experiential value. Many Indian customers still prefer to "Touch & Feel" the product before taking a decision to purchase it or not. We cannot ignore the fact that having a great store location can make our products easily visible to our target market and consumers and can build our brand locally. We understand this and hence, evolve our strategy accordingly. At present, both online and offline retail are important to us and complement our brand in unique ways.

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

We are currently undergoing major expansion and are setting up a third factory for processing and packaging of our food products. We are also strengthening our agricultural and farming methods along with our marketing team to cater to the increased requirements of our customers. **PG**



**We work very closely with retailers to ensure that they always have their required stock of the entire range listed and that these are merchandised well. We have always focused on stock availability. Every order received by a retailer is serviced "On Time and In Full" (OTIF).**

— Ashok Sinha  
India Business Head,  
Neo Foods



# Mini Meal Masters

Grocers promote produce-rich snacks and healthful lunches for back to school.

By Jennifer Strailey



**B**ack to school spells smarter snacking at ShopRite stores throughout the Northeast this fall. As a continuation of its recently launched Well Everyday program, the banner will kick off its next health-and-wellness initiative, featuring a Smart Snacking theme, on Sept. 10.

“We’ll be sharing easy, fun and nutritious ideas for those super-important mini meals,” says Natalie Menza-Crowe, director of health and wellness at ShopRite. “We’ll also be featuring ideas for after-school snacks and portable pack-and-go snacks that are perfect for school sports and activities.”

Well Everyday is an in-store messaging program aimed at highlighting better food choices and helping customers take small steps toward better nutrition. Each Well Everyday campaign includes eye-catching aisle visuals focused on promoting nutritious options. ShopRite, a registered trademark of Keasbey, N.J.-based retailer-owned cooperative Wakefern Food Corp., plans to refresh the campaign every four to six weeks throughout its stores.

In its 139 stores that are staffed with dietitians, ShopRite also appeals to kids and their families through cooking classes, product samplings and store tours focused on healthy eating.

“Our topics vary from healthy lunchbox ideas, to weeknight dinner ideas, and even quick and healthy breakfast options,” explains Menza-Crowe. “We also leverage our circular and social media assets to share easy dinner recipes, ‘produce picks’ of the week, and tips on how to build a better lunchbox.”

ShopRite’s back-to-school nutritional campaigns that tackle lunchboxes and simple, healthful dinner ideas are resonating with customers.

“Last year, we featured a Build a Better Lunchbox series online and in our circular, which received a tremendous amount of positive customer feedback,” she affirms. ShopRite’s retail dietitians supported the program with in-store events and demos. Online images and videos showed consumers how to pack healthful snack boxes, taco salads and more.

ShopRite also recently launched an in-store meal cart program in which all of the ingredients for a healthy, easy dinner are cross-merchandised each week. “It makes weeknight meals a snap,” asserts Menza-Crowe.

In a separate initiative — but one that will undoubtedly appeal to families shopping for wholesome foods — ShopRite has expanded its Locally Grown program. The grocer offers a variety of products, from farm-raised beef to eggs to fresh fruits and vegetables, from family-owned farms in New Jersey, Pennsylvania, Maryland, Delaware and upstate New York.

**Fun With Fruit**

In-store dietitians can be a critically important resource in helping to make fresh produce consumption fun for kids and their families this back-to-school season and beyond.

This fall, the apple and pear experts at Wenatchee, Wash.-based Stemilt Growers will work with in-store dietitians and nutritionists to create social media programs designed to promote produce for school lunches.

“Stemilt is featuring a big promotion on its Lil Snapper kid-sized apple brand for back to school,” affirms Roger Pepperl, Stemilt’s marketing director.

In addition to social media, the promotion of Lil Snapper Red Starkrimson pears, Bartlett pears, Tosca pears and Gala apples will focus on produce department display contests and school giveaways. “This is a fun way to promote produce for school lunches,” notes Pepperl, who adds that organic Lil Snappers will also be featured.

Recipe suggestions are another valuable tool in encouraging kids to eat fruits and vegetables as after-school snacks.

“We have kids’ recipes that were created by our food influencers and Kitchen Council at Stemilt that make eating fruit fun and imaginative,” notes Pepperl. “Cutting the fruit in shapes and using items like peanut butter and other ingredients to create flavors is a great exercise.”

Colorful displays are imperative to the success of produce promotions designed to attract the attention of children and their families, he adds. Stemilt offers high-graphic boxes and display bins, as well as display contests to help retailers showcase fruit snacking.

“Parents are looking for convenient, nutritious foods for their families, and one of their biggest challenges is kids’ resistance to eating more fruits and veggies,” observes Bil Goldfield, Director, corporate communications for the Dole Food Co., in Westlake Village, Calif.

Through its collaboration with Disney Consumer Products and Interactive Media (DCPI), Dole is



aiming to make healthy living fun. The program includes the launch of a new assortment of Disney-branded Dole fresh produce.

“Research shows that favorite characters have a tremendous influence on acceptance and behavior among children,” notes Goldfield. “In fact, when kids see favorite characters promoting fruit and vegetable consumption, they are more likely to choose fruits and vegetables themselves.”

Earlier this year, Dole and Disney launched the first of three “Beauty and the Beast”-themed healthy-living initiatives planned for 2017 that feature consumer promotions, custom digital content, character-inspired recipes, healthy-living tips and in-store retailer display contests.

Soccer moms and dads know that citrus is a sideline staple at games and practices. Sunkist Growers, in Valencia, Calif., offers soccer-themed 10-pound consumer cartons that draw the attention of teams and families in-store.

“Juicy, delicious and packed with vitamin C, Sunkist Valencias make an excellent addition to lunches or a sideline snack,” says Joan Wickham, who adds that Sunkist grapefruit is also in season during the fall.

“This nutritious fruit is a fantastic way to start the day — juiced or eaten,” notes Wickham. “Breakfast is, of course, so important for families managing the back-to-school rush, and with 100 percent of your daily vitamin C per serving, grapefruit helps keep families energized and healthy during this busy time of year.”

**Online Education**

Last month’s historic announcement that Amazon will buy Austin, Texas-based Whole Foods Market for \$13.7 billion will forever change the grocery business. As a result, supermarket retailers will undoubtedly be taking a closer look at their online shopping and home delivery programs.

Grand Rapids, Mich.-based Meijer, which last year began offering groceries through its official home delivery partner, Birmingham, Ala.-based Shipt, invites



“In fact, when kids see favorite characters promoting fruit and vegetable consumption, they are more likely to choose fruits and vegetables themselves.”

— Bil Goldfield  
Dole

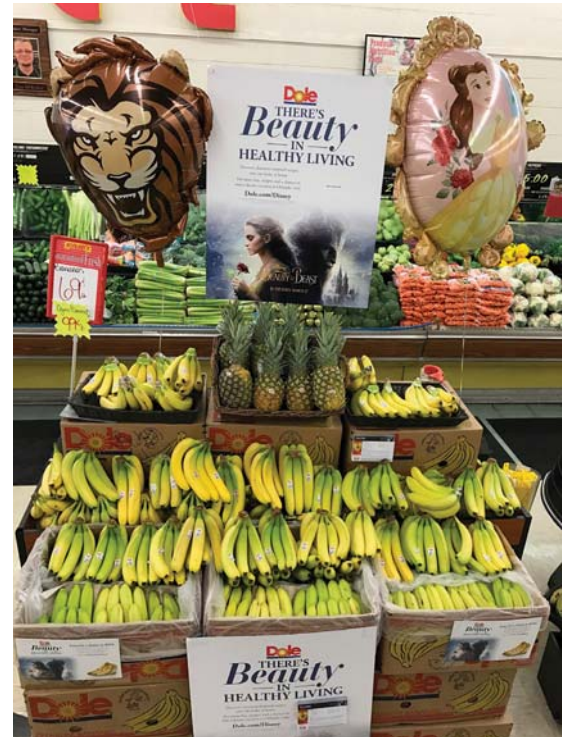
customers to sign up for the membership-based app and shop 55,000 items, including fresh produce, every day. The home delivery service is rolling out across Meijer's six-state Midwestern footprint.

This year, Produce for Kids (PFK) has joined forces with the grocer to bring the Jump with Jill nutrition education program to schools in communities that Meijer serves. The campaign features new digital elements designed to reach the growing segment of grocery delivery shoppers and digital coupon users through Shipt and the Meijer mPerks program.

During the PFK campaign, Meijer shoppers using Shipt can identify produce sponsors in a dedicated in-app category. The callout is designed to drive sales of campaign partner products through the Shipt app and provide additional consumer exposure during the campaign.

"With the growing number of shoppers using grocery delivery services, it's important that Produce for Kids' campaigns evolve along with the shopper," says Trish James, VP of Orlando, Fla.-based PFK.

Through its partnership with PFK, Meijer and the campaign's fruit and vegetable company partners have raised more than \$1.2 million to benefit children's charities.



nutritious meals throughout the day. The growth in salad- and produce-based meal kits means an abundance of convenient and fresh lunch and dinner prep during the hectic school year.

This September, Ready Pac Foods, of Irwindale, Calif., a wholly owned subsidiary of Bonduelle, will expand into the growing fresh meal category with the introduction of the Fresh Prep'd brand of fresh meals, including Fresh Prep'd Soup Kits and Fresh Prep'd Wrap Kits.

According to Ready Pac, over the past year, the fresh prepared meal category has increased 8.9 percent, making it an \$8.3 billion category – one that's growing more than twice the total of the food and beverage category in the United States.

"In developing the Fresh Prep'd brand, we wanted to create an easy alternative to lackluster desk lunches and unhealthy fast food," explains Ready Pac Foods CMO Galit Feinreich. "With more than 75 percent of households in the U.S. purchasing fresh prepared foods, our Fresh Prep'd options enable consumers to have a delicious, healthy and convenient meal at a great value."

Prepared by the consumer right before consumption, Fresh Prep'd Soup Kits feature flavorful broths, on-trend ingredient combinations and fresh vegetables that maintain their flavor and crisp texture. The Fresh Prep'd Wrap Kits, meanwhile, offer high-quality ingredients, bold sauces and vegetables. Consumers assemble their wraps right before mealtime for a fresh and never soggy experience. **PG**

“

We'll be sharing easy, fun and nutritious ideas for those super-important mini meals.

— Natalie Menza-Crowe ShopRite

### Powerful Lunchboxes

Next month, PFK will launch its fourth annual Power Your Lunchbox initiative. This year's campaign, which runs Aug. 7 through Sept. 22, will raise money to support Feeding America programs that benefit families and children.

New to this year's campaign, PFK is working with Eric Carle, the author of beloved children's storybook "The Very Hungry Caterpillar," to promote healthful lunches and reading.

The campaign also features several new sponsors, including Harvest Snaps, from Boardman, Ore.-based Calbee North America, and Zespri kiwifruit from New Zealand.

"While the campaign does not have an in-store component like our other targeted retail campaigns, we are working with Harvest Snaps to implement Power Your Lunchbox artwork to their packaging during the timeframe of the campaign," says Amanda Keefer, PFK's director of marketing communications. Several partners are also offering coupons on PowerYourLunchbox.com.

### Mealtime Made Easy

Beyond healthful lunches, families are looking for quick tips to make







**PREMIUM**

**Healthy Cooking Oils**

Winners of

Global Quality Award | Quality Excellence Award

2016

www.kngagrofood.com



**Are you still using Ordinary Cooking Oils?  
Don't ignore your Family's Health  
Start Using KNG Healthy Cooking Oils**



**Canola**  
Health

**Mustard**  
Health

**Sesame**  
Health

**Olive**  
Health

**Corn**  
Health

**Healthiest Range of Cooking Oil with the Goodness of Sesame Oil  
Available at All Leading Online & Offline Stores**

f/kngindia

**Kng Agro Food (P) Ltd**

🐦/kng\_premium

📞 1800-3000-2624

✉ info@kngagrofood.com

🌐 www.kngagrofood.com



*“Our stores offer the taste of authentic bakery products at affordable prices across NCR”*

Sugar & Spice India Pvt. Ltd. is a 28-year-old company in the business of manufacturing and retailing bakery and confectionery products. Currently, Sugar & Spice has nine outlets running across NCR. While six of the outlets are take-away joints, the other three have their roots in bakery & confectionery but have also branched out into casual dining. Over the next three years, the company is looking to open 40 new outlets across NCR. Progressive Grocer spoke to promoter, Mini Yadav, who has spawned a successful business empire, about her brand's current focus and its future plans.



**What is the customer proposition of your Sugar & Spice stores?**

Our stores aim to give people across Delhi-NCR the taste of authentic bakery products at affordable prices. The stores cater to people from all age groups and across all income levels. Currently, we are focusing on running our stores in high footfall malls and high-street markets. This way, we aim to capture the trendsetters first for our bakery and confectionery products. The next stage will be to rope in the early adopters and the masses eventually. We are looking to strategically place our outlets across Delhi/ NCR so that we are able to capture as many customers as possible across all income groups.

**Are you doing anything to attract the young generation – the Millennial shopper?**

Yes, we have launched many new products and flavors apart from reinventing our existing products so as to make these products especially attractive for Millennials. As Millennials love to travel and shop, the location strategy of our stores is marked by a strong preference for high footfall areas so that we can offer our products to as many customers as possible. Young shoppers today are well travelled and they have a good knowledge of the products. Through our choice offering of products, our stores strive to bridge the gap in the bakery segment by giving our customers the best of bakery and confectionery products that they can get anywhere.

**Tell us about the product range available in your store.**

Our product range varies from traditional cakes and pastries to fancy cakes and pastries, breads, muffins, doughnuts, croissants, cookies, chocolates, sandwiches, salads, burgers and a large variety of breads. We have recently launched our café format under which we have introduced shakes, smoothies, tea and coffee. At our outlet in Vasant Vihar, we have introduced pizza, pasta, burgers and antipasti.

**What are you doing to promote your products and increase brand awareness?**

We are always experimenting across various categories and products. We also do a lot of

sampling and product demos to collect suggestions and feedback from our customers. Apart from conducting in-store sampling activities from time to time, we keep organizing online contests through which we give hampers to our enthusiastic and knowledgeable customers, which also helps to educate our patrons about the products. Besides that, we also undertake mix-and-match bundling and cross-promotion activities within our stores. We cross-promote our products within our group companies, which include brands in the salon and hospitality industries. We have gone for extensive digital adoption by way of mobile innovations, apps, omnichannel strategies and other forms of digital engagement with our customers such as collaborations with online influencers. We are exploring exciting opportunities such as these and should be executing them in the next 3 months. Apart from online social media platforms, we have tied up with online delivery portals such as Swiggy and we are about to launch our website by the end of this month.

#### Have you introduced customer loyalty programs to widen your reach and strengthen your consumer base?

Currently, we do not have a loyalty program but in certain outlets we do have combo offers and special discounts for specific genres of people based on the location of our stores. For example, we offer a student discount at our SDA market outlet in IIT Delhi.

#### How do you look at the use of technology as a tool for ramping up business?

We believe that technology is the way forward and thus, have invested heavily in tools such as ERP, a website, online delivery platforms and social



## SUGAR & SPICE: FACT BOX

- Retailer/ Brand Name: Sugar & Spice
- Launch Year: 1989
- Parent Company: Sugar & Spice India Pvt. Ltd
- Company Headquarters: 77B, Iffco Road, Sector 18, Gurugram
- Key People: Mini Yadav, Naresh Kumar & Nakul Yadav
- Retail format of stores: Bakery & Confectionery
- Number of stores in operation: Nine exclusive stores and five shop in shop outlets with Le Marche. All stores based in Delhi and Gurugram
- Average size of stores: 500 sq. ft.
- Total retail space under operation: 8,500 sq. ft. across exclusive outlets; 1,000 sq. ft. for shop in shop in Le Marche stores
- Ownership of stores: Leased or Rented
- SKU count in stores: 300+
- Daily/ weekly footfall: 500-550 customers daily across all locations
- Average bill size/value transaction: Rs. 700

media pages among other things. We are also using technology for minimizing operating costs, securing customer loyalty and for offering unique shopping experiences. The use of technology and its applications to our business is helping us understand the needs of our customers and is allowing us to cater to them in a better and more efficient way.

#### What initiatives have you taken to strengthen your supply chain – both at the back-end and front-end?

We have tied up with delivery partners and have developed our own ecosystem of managing deliveries as well. We ensure that all supplies reach on time so that our customers get the freshest product possible.

#### Tell us about the emerging trends in this segment as seen in your stores?

As Delhi is the food capital with a very diverse population, it is hard to match up to everyone's expectations and customers are always looking for innovative products. As we love to experiment with new products, we keep introducing novelties to our existing range that help to satisfy the ever widening palate of our customers. We keep in touch with some of the best food consultants and chefs in the world who keep guiding us from time to time about the latest trends and technology in bakery.

#### How would you describe the strengths of your brand?

We are a 28-year-old brand with a very loyal customer base. Our bakery products have been able to reach and cut across all consumer demographics. **PG**



**Our product range varies from traditional cakes and pastries to fancy cakes and pastries, breads, muffins, doughnuts, croissants, cookies, chocolates, sandwiches, salads, burgers and a large variety of breads.**

— Mini Yadav  
Promoter, Sugar & Spice India Pvt Ltd

# The Perks of Being an App User

Mobile pay adoption is small in grocery, but the right incentives can grab consumers' interest.

By Randy Hofbauer



## Clear Convenience

Understandably, the biggest reason for consumers to adopt — and retailers to push — mobile payment apps is faster, more convenient checkout. Grocers need to communicate this benefit, especially as EMV chip-reading technology gets wider use. Some 37 percent of respondents to a survey from San Francisco-based mobile payment solutions provider Square Inc. listed slow lines and checkouts as their No. 1 pain point regarding chip-card technology.

Bentonville, Ark.-based Wal-Mart Stores Inc. is one food retailer speeding up the process. With its Walmart Pay platform, users simply scan a QR code made at checkout for a transaction, and payment is processed via the app, which is connected to a person's credit or debit card. Payments generally are processed faster than those from a credit card, and the need for paper receipts is eliminated.

Some grocers are integrating mobile payment platforms with scanning technology to help eliminate checkout lines altogether and make the process faster still. In May, Salt Lake City-based grocer Macey's introduced Skip Checkout, an app that lets Macey's shoppers simply scan their items as they're placed in the cart. Users pay for the purchase directly from their phones, using a linked debit or credit card, or the Apple Pay or Android Pay mobile wallet apps, and then bag and exit via a dedicated checkout lane.

Peace of mind is another convenience that grocers should communicate: Some 58 percent of respondents to a 2016 study from Montreal-based marketing and loyalty analytics company Aimia said that they're unlikely to use a digital wallet, with 56 percent of that number citing data security as a concern.

However, experts argue that mobile payment platforms actually include several features that stop fraud in its tracks. For example, a unique series of numbers is assigned to each virtual credit card stored within a mobile wallet, according to Chris Francis, VP of market development at Worldpay US, an Atlanta-based provider of payment-processing technology. This ensures that even if a merchant's transaction is compromised, a customer's actual card number stays out of fraudsters' hands.



### PAY AND GO

Utah grocer Macey's offers freedom and convenience through its Skip Checkout mobile app, which lets shoppers scan items with their smartphones, place them in their carts, pay with a linked card or mobile wallet app, and exit via a dedicated checkout lane.

Today, more consumers are spending via mobile payment platforms than they were just a few years ago. These platforms, in return, are benefiting retailers, which are using them for differentiation, gathering shopper data and even increasing operational efficiency.

Still, many consumers haven't adopted these platforms. At grocers today, every \$1 of \$148 spent at the point of sale is from a mobile wallet, according to transaction data from Charlotte, N.C.-based Bank of America. While mobile wallets continue to enjoy wider acceptance and use, growth has slowed: In grocery, mobile wallet spend increased 73 percent in quarter one of 2017 compared with quarter one of 2016, but was still down 200 points from the same period in 2015.

The technology is there. But while some consumers are adopting it, many others show reluctance. What's causing this, and how can food retailers respond to encourage adoption?

### Added Incentives

But even when ensuring faster, more secure checkout, additional incentives — such as redeemable points or rebates — will increase the likelihood of mobile payment platform adoption, giving shoppers a reason to return to a specific grocer rather than go to a competitor.

“Ibotta has conducted individual retailer analyses suggesting that for the largest grocers, the benefit of consumer retention via this bounceback behavior can easily exceed \$1 billion annually via incremental trips,” stresses Kane McCord, COO of Denver-based Ibotta, which provides its namesake smartphone app that offers cash back on retail purchases. He adds, “If retailers were to create rebate platforms within their own mobile apps and payment platforms, consumers would be much more interested in adopting those platforms.”

Though not a grocer, coffeehouse chain Starbucks offers one of the best examples of a mobile solution with incentives that its users crave, which grocers can take as inspiration. Starbucks’ namesake app allows customers to place orders, make payments, collect points, and then redeem those points for awards. It’s been a major hit for the Seattle-based chain, says Erin Raese, Aimia SVP of customer loyalty.

“In fact, according to its quarter-one 2017 financial results, the company reported that consumers added \$2.1 billion to Starbucks cards in the U.S. and Canada — a 15 percent increase year over year — and transactions on Starbucks cards accounted for 40 percent of company-operated transactions in the U.S.,” she explains. “Mobile payment alone accounted for 27 percent of U.S. company-operated transactions.”

The Walgreen Co., too, might not be a grocer, but it introduced loyalty incentives to its mobile pay platform in a way that grocers could adopt. In 2015, the Deerfield, Ill.-based drug store chain announced that in addition to being able to easily pay for purchases through Apple Pay, members of the Walgreens Balance Rewards loyalty program were finally able to seamlessly earn and redeem loyalty points through the wallet app on their iPhone or Apple Watch. Raese points out that this introduction marked the first from a U.S. retailer to integrate its customer rewards platform with Apple’s mobile payment service.

Coupons can also make a nice incentive when added to mobile payment platforms. When the Softcard Mobile Wallet launched in 2013, for instance, some food retailers — most notably Austin, Texas-based Whole Foods Market — adopted SmartTap technology, which allowed users to “clip” digital coupons, add them to a digital wallet, and then present them at checkout with a tap of their phone. When Google purchased Softcard, the technology’s momentum was lost for

## HIGHER-END GROCERS BENEFIT MORE FROM MOBILE WALLETS

Although the overall grocery channel is seeing a rise in mobile wallet usage, the high-end sector is seeing the greatest amount of adoption, transaction data from Charlotte, N.C.-based Bank of America reveals.

At high-end operators, consumers spent \$26 swiping or inserting their cards at the point of sale for every \$1 spent using a mobile wallet. This compares with \$203 and \$673 for every \$1 spent at mass-market retailers and club stores, respectively.

However, all three channels have continued to see growth in mobile wallet usage, albeit at different rates from one another (and more slowly than the previous year). In the first quarter of 2017, high-end grocers saw mobile wallet spend rise 34 percent compared with the same period in 2016, while mass-market retailers and club stores saw theirs increase 124 percent and 55 percent, respectively.

a time, following its incorporation into Android Pay, notes Yale Vinson, technical product manager for Blackhawk Network, a Pleasanton, Calif.-based digital payment solutions provider. However, several grocers now are looking into bringing SmartTap to market in the near future.

### Educate to Adopt

Of course, even if a mobile payment platform has all of the bells and whistles needed to draw consumers’ interest, it simply might not get adopted due to lack of visibility — or the knowledge that such platforms exist in the first place. A recent survey from Tampa, Fla.-based mobile solutions provider Syniverse showed that one-third of U.S. and U.K. respondents don’t even know what a mobile wallet is, even though it’s available on 99 percent of smartphones today.

This is where the responsibility is on grocers to market programs and let shoppers know what mobile payment platforms are and which ones are available at their stores. Lisa Paccione, VP of enterprise sales at Syniverse, notes that marketers first must create awareness of a brand’s wallet offering and educate consumers by enticing them to begin taking advantage of the wallet’s benefits. Once a wallet app has been downloaded, brands can keep users from forgetting about or deleting them by sending location- or time-based alerts directly to a customer’s lock screen, helping drive in-store traffic and keeping the brand top of mind.

Additionally, communication at checkout regarding what platforms are supported is key, says Morgan McAlenney, SVP, digital with Lakewood, Colo.-based commerce agency The Integer Group.

“Is this a chip-reader device? Do I swipe the card or does the checkout person? Can I wave my phone to purchase? Can I use cash here? What about all these coupons I have?” she asks. “There is a signage opportunity for retailers to help grease the skids.” **PG**



**If retailers were to create rebate platforms within their own mobile apps and payment platforms, consumers would be much more interested in adopting those platforms.**

— Kane McCord  
Ibotta

# what's next



### ▲ Fresh & Pure launches cold pressed juices

Fresh & Pure by Future Consumer Limited offers a wide range of food products sourced in their most natural form. Expanding its offering, the brand launched cold pressed juices made from fresh produce containing no added sugar, preservatives or chemical concentrates. Cold pressing is a unique technique wherein no extra heat is applied during the juicing process and essential nutrients are preserved. Sadashiv Nayak, CEO – Food Business, Future Group says, “This range of cold pressed juices reintroduce us to natural intactness and provide us access to agricultural products in their pristine state. Characterized by minimal processing, these products are prized for their purity and freshness.” The product comes in 250 ml packs and is available in three variants. Guava Chilli is priced at Rs. 75, Orange at Rs. 95 and Apple Lemon Mint at Rs. 75. These products are available at select Big Bazaar, Big Bazaar GEN NXT, HyperCity and Foodhall stores in the country.

### ▼ Nature N Nature unveils Jumbo chocolate bars

Pee Pee Group, a century old business entity and a leading manufacturer of coin chocolates in India, has come out with a chocolate bar range under Nature N Nature's latest brand, Jumbo. Made with rich cocoa butter products, the chocolates are 100% vegetarian, high in quality and exceptional in taste. Available in premium milk, milk crispy, premium dark and dark with almond, the range plans on launching a luxury dark chocolate product as well. Jumbo chocolate bars come in nine product sizes with a price range starting at Rs. 10.



### ▼ FunFoods introduces range of zero fat dressings

FunFoods, by Dr. Oetkar, has introduced a new range of zero fat dressings. This range was conceptualized based on in-depth consumer research relating to key barriers of high calorie content, limited use in salads and premium pricing. The omission of the word 'salad' from 'dressings' is deliberate with an intent to showcase the versatility of the product. The range consists of evergreen variants such as caesar, honey mustard, ranch, 1000 island, sweet onion, south west, balsamic and fruity additions such as zesty orange, strawberry and smoky pineapple. This collection of products signify the emergence of a new segment of dressings in India and can be used as dips and to add a zing to salads, sandwiches, subs and wraps. Calorie-conscious consumers will take to this range as half of the range has a calorie content of less than 1 kcal/gm. A 210 gm of the dressing is priced at Rs. 79 and will be available at all leading retail stores and e-commerce portals across the country.



### ► M.O.M's instant kadhi chawal

M.O.M – Meal of the Moment – has introduced an addition to its instant meal pouch category range with the launch of instant kadhi chawal. The preparation method is simple – all that the product needs is hot water and eight minutes to make a filling meal. The rich, thick besan gravy with hot rice offers the perfect combination and is targeted for people on the go. These easy-to-handle pouches lock in freshness and deliver great taste, which caters to local as well as international Indians craving an authentic Indian flavour. All products by M.O.M are preservative-free with no artificial flavors and a shelf life of twelve months. Priced at Rs. 35, the brand is available on leading airlines, MT stores such as Star Bazaar, HyperCity, SPAR, Reliance and online on Amazon, Paytm, Bigbasket etc.



▼ **Icelings curates packaged ice revolution**

In addition to the consumption of safe and hygienic food and water, one must place emphasis on the quality of ice being consumed on a daily basis. Ice made from unsafe tap water can have a range of toxic effects on an individual's health and well being. Icelings, India's first brand of packaged ice, uses treated water with zero bacteria to manufacture its products. The ice tubes are made from mineral water that undergoes an extensive multi-stage purification process, which includes micro-filtration and reverse osmosis. The end product is untouched by human hands and is packaged in special food grade LDPE bags. The product is currently selling in Mumbai, Pune and Jaipur at present, and the brand is looking for franchise partners to expand to other cities.



► **Munchons' growing namkeen range**

Munchon's, in its journey to achieve total customer satisfaction, has introduced an exciting new flavour to its namkeen basket in the form of Punjabi Tadka. Using extruded technology, the extruded sticks are made with ingredients such as potato, cereal flour, spices and condiments to provide a flavorful and crunchy snack experience. The snack item best consumed with hot and cold beverages between mealtimes. Currently available in packs of Rs. 5 for 20 gm and Rs. 10 for 40 gm, the product has been launched in the eastern and northern markets and will soon be available at all leading retail outlets across India.



▼ **Happilo launches crunchy peanut butter spread**

To emphasize on a healthy lifestyle and weight control, Happilo has introduced its peanut butter range for the Indian market. With a 25% protein content and no added oils, sugar or preservatives, the product is a favorite among gym freaks, joggers and athletes. Supporting cardiovascular and brain health, the product range is an energy booster and is also gluten and cholesterol free. With added peanut bits for extra crunchiness, the spread is a good source of fibre and vitamin E. Also available in creamy variants and a choco spread, the brand offers a delicious alternative in the category of healthy snacking.



▲ **Alpenliebe launches new marketing campaign**

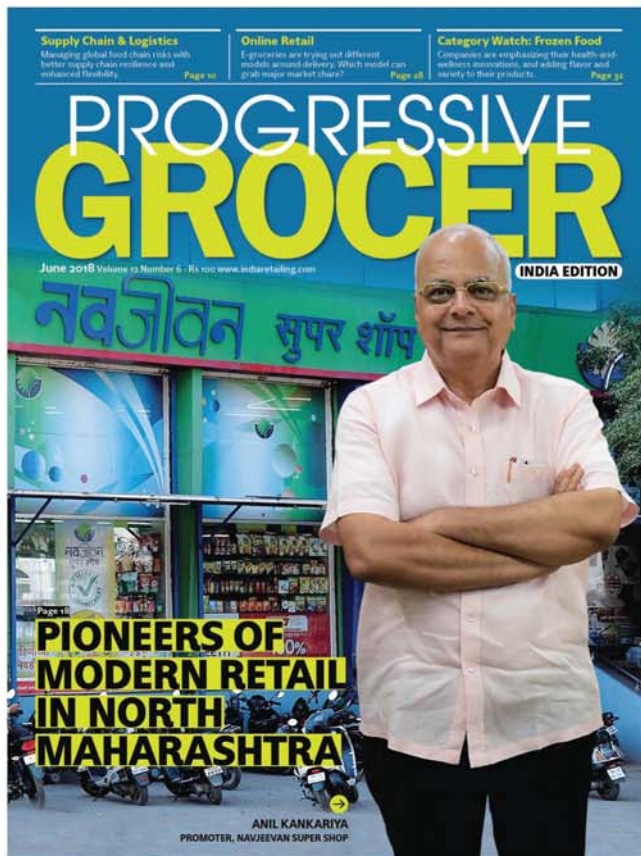
Alpenliebe, the flagship candy brand of Perfetti Van Melle India, has launched a new campaign: 'Alpenliebe Ghuley toh Dil Milein'. The TVC is centred around the rich taste of Alpenliebe and the result of a comprehensive consumer demand space mapping. Over the years, Alpenliebe has found a place in the Indian family set up. Joint families are still popular and research showed that inevitable tiffs between generations are still commonplace. Alpenliebe plays a role of a catalyst responsible for family bonding and is positioned as a candy that brings hearts closer. Rohit Kapoor, Director Marketing, Perfetti Van Melle India, said, "The new ad campaign is in a warm and comforting space. The emotional story involves three generations of family members and conveys that the indulgent taste of Alpenliebe triggers the resolution of conflicts in the family." The new campaign will be aired across all mainstream TV channels and further amplified on digital media.

► **Bagrry's apple cider vinegar with the 'mother'**

In today's sedentary lifestyle, even a small change in the daily regime can make a lot of difference to one's health. Apple cider vinegar has traditionally been used to promote good health and manage a host of lifestyle problems. It is known for its natural health benefits and is a great tonic for your body. Keeping the promise of putting health first for its customers, Bagrry's - a leading brand of breakfast cereals and health foods in India - has launched Bagrry's Apple Cider Vinegar with the 'Mother'. Made from the finest Himalayan grown apples, the product is a high quality raw, unprocessed and unfiltered vinegar prepared by using the traditional method of fermentation. With the processing kept to minimum, the apple cider vinegar is 100% natural with the goodness of apples intact in the product. The vinegar's inclusion of "the mother" as a natural part of the apple, gives it a cloudy appearance and contains proteins and healthy bacteria rich in probiotics. With a pack size of 500 ml, the product is priced at Rs. 525 and is available on Amazon with a special introductory discount of 24% valid till 31st July.



# SUBSCRIBE NOW!



## HIGHLIGHTS OF THE NEXT THREE ISSUES

**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.

**OCTOBER 2018 FESTIVE SEASON:** How the festive season brings out the best in innovation, strategy and promotion among brands and retailers. Read all about their effective messaging, new products and innovative packaging to boost sales and grow their consumer base.

## INSIGHTS TO EMPOWER YOUR BUSINESS

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

**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 700 029 Ph: +91 33 40080480, 40080488

	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
<b>SAVING</b>	<b>15%</b>	<b>20%</b>	<b>25%</b>	<b>25%</b>	<b>35%</b>	<b>45%</b>
Discount	₹180	₹480	₹900	₹600	₹1680	₹3240
You pay	₹1020	₹1920	₹2700	₹1800	₹3120	<b>₹3960</b>
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. \_\_\_\_\_

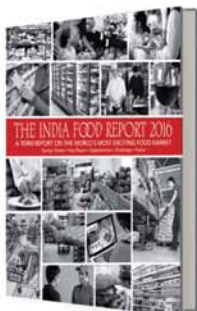
Card Member's Signature \_\_\_\_\_

### 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**

**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.

For online subscription, please visit [shop.indiaretail.com](http://shop.indiaretail.com)



# 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.

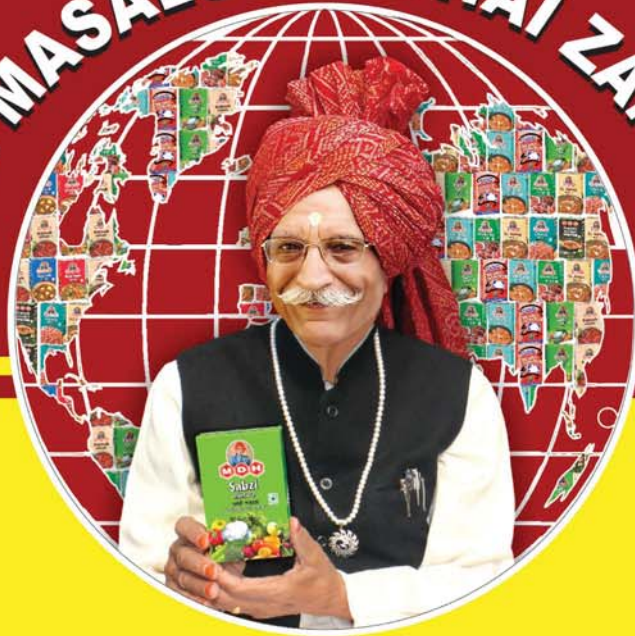
ORIKA®  
FROM PARAS SPICES

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](mailto:orika@parasspices.com) • Web: [www.orikaflavors.com](http://www.orikaflavors.com)

**DUNIYA NE HAI MANA**

**MDH MASALON KA HAI ZAMANA**

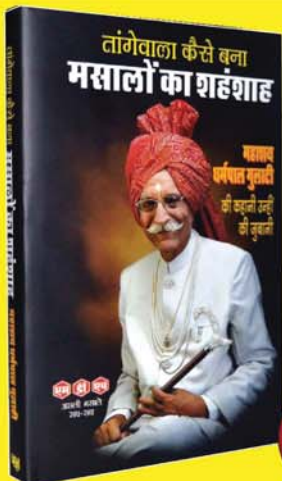


MDH Spices are exported to more than 100 Countries



**Masale**

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



Mahashay Ji Ke Jeewan Ki Hakikat Janiye, Padhiye

**“EK TANGA CHALANE WALA KAISE BANA MASALON KA SHAHANSHAH”**

Mahashay Ji Ke Jeewan Ko Nai Disha Dikhane Wale

**“SAFALTA PRAPTI KE MOOLMANTRA”** Padhiye

Price : Pages :  
₹ ~~325/-~~ 150/- 240

Price : Pages :  
₹ ~~350/-~~ 200/- 168

For Order send Message / WhatsApp at 9811745246  
OR mail us : [mdhbook@gmail.com](mailto:mdhbook@gmail.com)



**Mahashian Di Hatti Pvt. Ltd.**

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

