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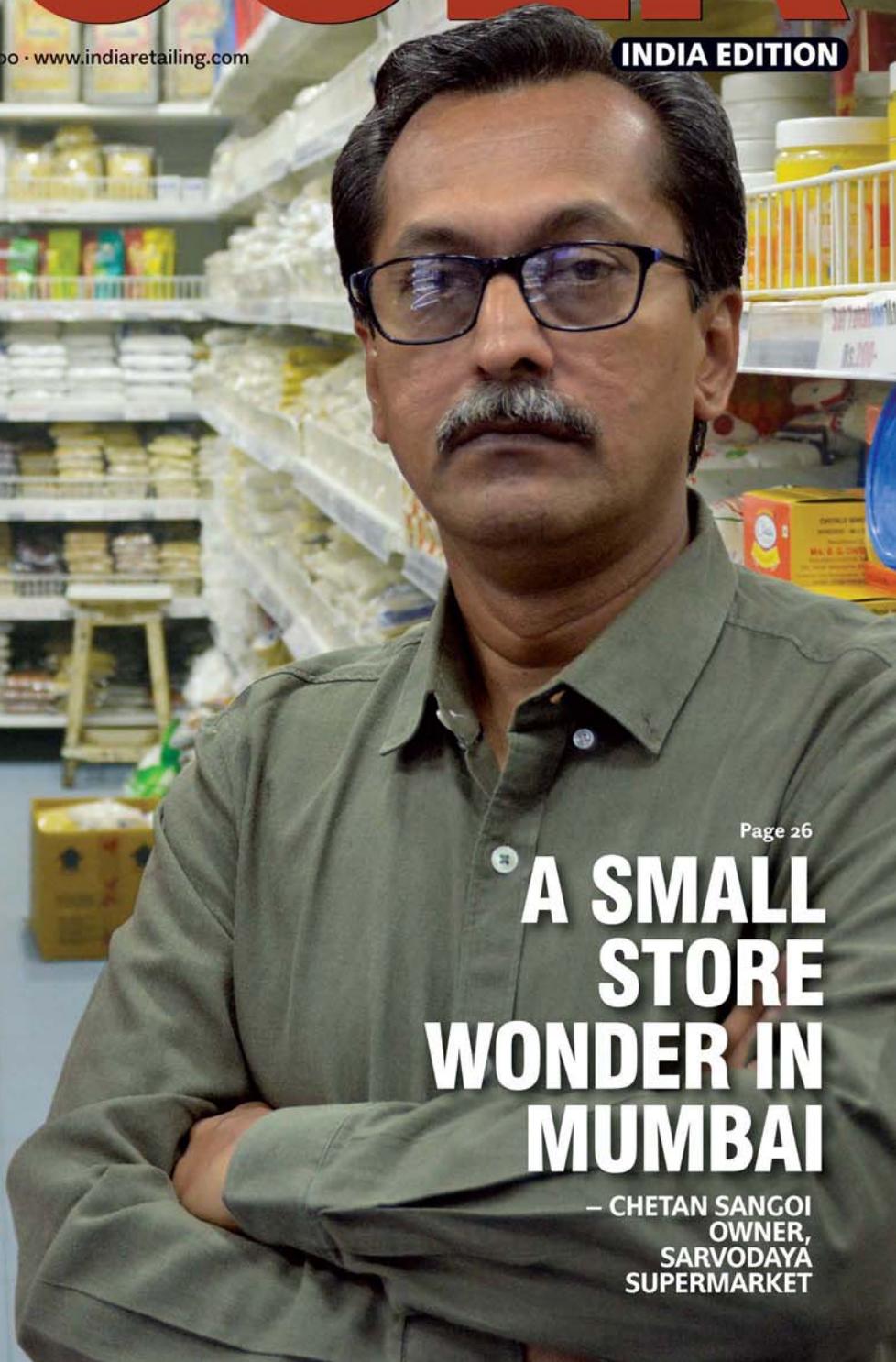
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INDIA EDITION



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A SMALL STORE WONDER IN MUMBAI

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OWNER,
SARVODAYA
SUPERMARKET

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FORECAST 2020

Experts do a spot of crystal gazing to suss out the trends that will ripple across the F&B industry in the months ahead.



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Talent — the leadership that's going to take our industry forward — continues to be a top concern of grocery executives, so making the industry an attractive and fulfilling place to work must be a top priority. And it's no secret that what constitutes "attractive and fulfilling" for the next generation of leaders differs in many ways from their predecessors.

Salary, they tell us, isn't necessarily the deciding factor for Millennials and Gen Zs. Research indicates that 70% of emerging leaders say they're more likely to stay with a company that's serious about sustainability. And 10% would accept less in annual salary to work for a company with a better sustainability record.

Gen Zs also are upwardly mobile, with opportunities for personal growth a top concern when entering the workforce. In fact, 76% expect a promotion within two years of starting a job. Talent among emerging leaders is certainly not in short supply in this industry.

More importantly, today's leaders better reflect the youthful, increasingly diverse consumer base for whose spends retailers of all types are competing, in both the brick-and-mortar and digital realms.

To succeed and thrive in 2020 and beyond, retailers will need to reflect, inside and out, the changing times in which they operate and the evolving communities that they aim to serve. Only when they are in step with the GenNext, can they expect to be winners in taking the business forward.



Amitabh Taneja
Editor-in-Chief

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CHETAN SANGOI
Owner,
Sarvodaya
Supermarket

SARVODAYA SUPERMARKET: A SMALL STORE WONDER IN MUMBAI

With 2200 sq. ft. of retail space that pulls in a monthly revenue of Rs. 2.25 crore, Chetan Sangoi's Sarvodaya Supermarket is the cynosure for those kirana shop owners who want to reinvent themselves as modern grocers.



Forecast 2020

Experts across India's retail industry set a trend of crystal gazing and said not the trends that will go big and reap heavily but slowly in the year and steadily advance.

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TRENDS THAT WILL SHAPE INDIAN RETAIL INDUSTRY IN THE MONTHS AHEAD

Growing disposable income, innovative and easy credit options, innovation in selling concepts, deepening internet penetration and technology forces will make 2020 a milestone year for Indian retail many ways.

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Major product launches in the past month



A close-up photograph of a single, vibrant red strawberry with green leaves, held by the tines of a silver fork. The strawberry is partially submerged in a thick, dark chocolate sauce that is dripping down the length of the fork. The background is plain white.

Cross Purposes

Developing creative ways to group complementary products at retail is key to lifting sales and shopper satisfaction.

By **Barbara Sax**

Cross-merchandising is hardly a new concept. Yet many retailers fail to identify key opportunities to bring products together to boost sales and improve overall customer experience.

According to Marcia Schurer, president of Chicago-based Culinary Connections, creating a strategy for cross-merchandising complementary products is critical for boosting impulse purchases and increasing additional sales per shopping trip.

“Any cross-merchandising that encourages impulse buying should be a top priority for any retailer,” she says. “Once you get the customer in the store, you want to keep increasing that basket. Helping the consumer with their meal-planning efforts, and sampling items together so the customer can taste how well they complement each other, increases the chances of impulse buying.”

Jim Hertel, SVP at Winston-Salem, N.C.-based Inmar Analytics, believes that the value of effective cross-merchandising strategies goes beyond simply building baskets and traffic. He’s convinced that it’s necessary to a store’s positioning in an ever-crowded marketplace in which younger consumers are seeking an experiential shopping environment.

Key Takeaways

- ▶ The most effective cross-merchandising programs for building traffic and loyalty are those that help consumers find meal solutions.
- ▶ Retailers that put their own unique spins on commonly adopted cross-merchandising strategies give them even more customer impact.
- ▶ Incorporating general merchandise in cross-merchandising programs can make them even more successful.

Sarvodaya Supermarket: A small store wonder in Mumbai

With 2200 sq. ft. of retail space that pulls in a monthly revenue of Rs. 2.25 crore, **Chetan Sangoi's Sarvodaya Supermarket** is the cynosure of established retailers in Mumbai and a flickering ambition for those kirana shop owners who want to reinvent themselves as modern grocers.

By **Zainab S Kazi**

If you are a new visitor to Sarvodaya Supermarket store, its ambience might leave you with deep furrows between the eyebrows. The shop defies many preconceived notions about what a modern day supermarket should be like. There are no security guards to welcome you with a Namaste; neither do you find any fancy props and frills that dilutes from its essence as a neighbourhood supermarket store.

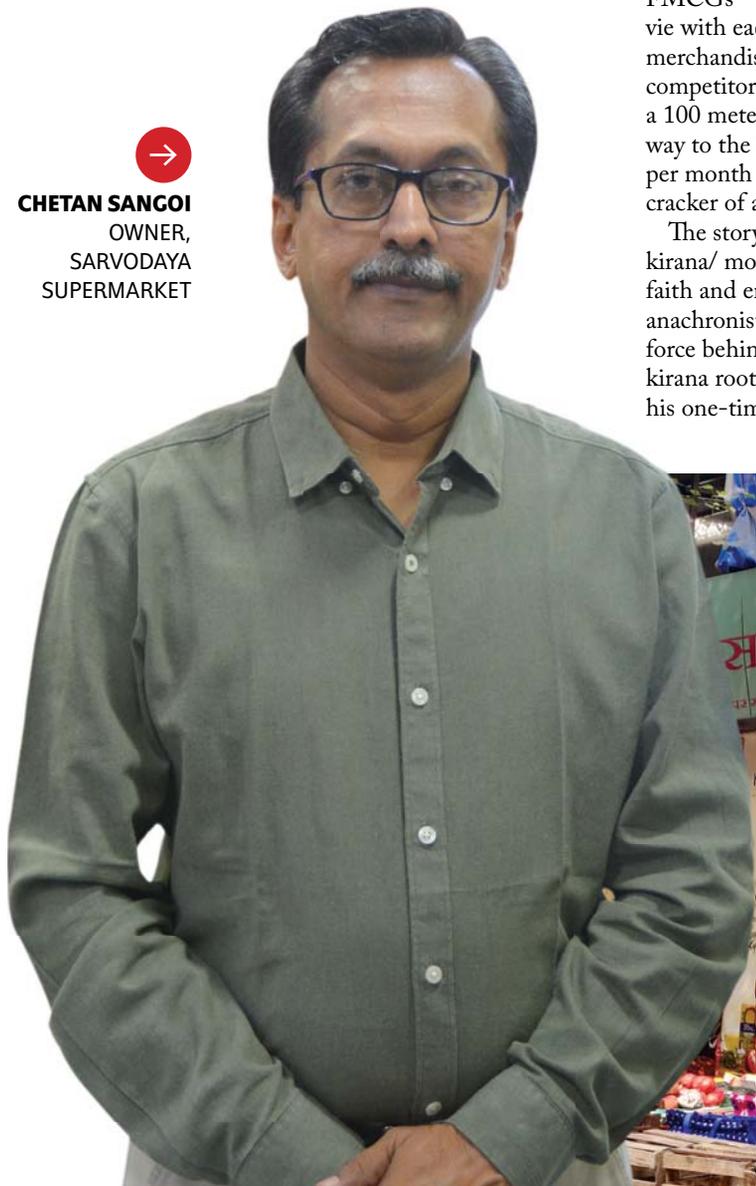
And yet the store with a built-up space of 2200 sq. ft. has consistently punched above its weight ever since it opened in 2003. Located in a lane adjacent to the main road in Dadar, Mumbai, the Sarvodaya store remains abuzz with customers walking in to grab exciting offers and soak in the personalized customer service honed by the retailer over past 17 years.

The shop offers all your everyday needs and then some – be it tofu or branded tamarind packets. Marquee brands and top FMCGs – L’Oreal, Nivea, HUL, P&G – and other multinationals vie with each other to place their own set of promoters/merchandisers at Sarvodaya, which has been giving its two bigger competitors – Sahakari Bhandhar and Big Bazaar – located barely a 100 meters away, a run for their money while laughing all the way to the bank itself. The store earns on average Rs. 2.25 crore per month in sales which, given its modest size, is an absolute cracker of a performance.

The story of Sarvodaya serves as an inspiration for small kirana/ mom and pop store owners who wish to take a leap of faith and embrace the brave world of Modern Trade leaving their anachronistic kirana model behind. Chetan Sangoi, the moving force behind the modern makeover of Sarvodaya from its plain kirana roots, deserves a standing ovation – not only for turning his one-time kirana store into a wunderkind modern grocery store



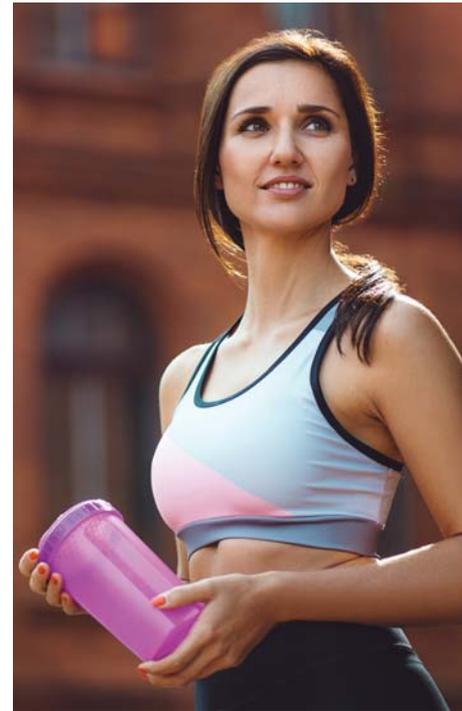
CHETAN SANGOI
OWNER,
SARVODAYA
SUPERMARKET





Forecast 2020

Experts across India's F&B industry do a spot of crystal gazing and suss out the trends that will go big and ripple across the industry in the days and months ahead.





Trends that will shape Indian retail industry in the months ahead

The retail sector in India is booming like never before and this buoyancy is taking place on the back of growing disposable income, innovative and easy credit options, innovation in selling concepts, and deepening internet penetration. Fuelled by technology and other forces, 2020 will be a milestone year for the Indian retail industry in many ways.

By **Deepak Chhabra**

India is world's fifth-largest global retail destination. The retail market in India is projected to grow from an estimated US\$ 672 billion in 2017 to US\$ 1,200 billion in 2021. The revenue generated by online retail alone is estimated to grow to US\$ 60 billion by 2020.

The metros and urban cities have moved towards organized retail in a big way. One comes across a range of retail formats like exclusive brand outlets, departmental stores, hypermarkets, convenience stores, specialty stores, cash & carry stores, and so on.

In most places, these formats co-exist harmoniously, and this diversity is key to India's booming retail sector. Such multiplicity of

buying options puts the choice and power in the customer's hand as they can explore options online, review quality in retail format and buy from a trusted direct selling source, as desired. Alternatively, they can stick to any one format that is most appealing and comfortable and conclude product discovery to purchase cycle in a go. Such a choice enhances their love and loyalty for the brand they are seeking.

However, traditional low-cost unorganized retail formats like local kirana shops, owner-manned general stores, paan/beedi shops, convenience stores, hand cart and pavement vendors, etc., still dominate the regional tier II and III markets.



Plant-based food is the new face of healthy living

Consumers everywhere are redoubling their efforts to lead a healthy lifestyle around the idea of consuming plant-based food and beverages.

By **Surruchi Joshi**

There has been growing efforts towards leading a healthy lifestyle, and the central idea revolves around “plant-based” food and beverages. The advocates championing plant-based food or who are also known as the proponents of veganism believe that they are promoting a culture that ensures healthy, peaceful, and active life. The plant-based diet includes not only fruits and vegetables, but also nuts, seeds, oils, whole grains, legumes, and beans, which procure all the essential carbohydrates, fats, protein, vitamins, and minerals for optimal health. It also helps in lowering the risk of developing coronary heart diseases, high blood pressure, diabetes, and of course, lead to increased longevity.

Currently, the awareness towards plant-based food is spreading exponentially among educated and health-conscious people. With the abundance of plant-based choices now available, customers are increasingly looking for options that reflect vegan values. Results of various studies suggest that following a plant-based diet may reduce the risk of certain cancers and other organic diseases. Ice

creams and protein bars made from plant-based ingredients are now common in supermarket shelves. Fast-food chains, including Dunkin’ Donuts and Burger King, have even started offering plant-based menu options. Some restaurants have also rebranded themselves as entirely plant-based after originally characterising their menus as a vegan.

Moreover, vegan gourmets have educated people regarding the environmental consequences of eating meat. A report from the World Resources Institute pointed to raising livestock as a significant source of carbon emissions and recommended reducing meat consumption as a way to combat climate change and stem deforestation. The environmental issue is a big one, and the plant-based phraseology works well when people think about it in a broader context.

Flavour and nutrients in one bowl: The plant-based diet involves vegetables as a snack with hummus, salsa, or guacamole. Fats in olive oil, olives, nuts and nut butter, seeds, beans and avocados are some healthy choices for the daily meals. Start with oatmeal, quinoa, buckwheat, or barley along with fresh fruit. Go for green leafy vegetables such as





Time to fight the menace of single use plastic

Plastic pollution is one of the biggest threats to the environment. But the good news is, the world is waking up to the problem and people are starting to act.

By Aishwarya N

Single-use plastic seems to have become integral to our lives for the past several years. Right from protecting food material from dust and other air pollutants to storing items to increase their shelf life, we depend on these single-use plastic products every day, without even thinking about where they might end up.

Also referred to as disposable plastic, these single-use plastics are commonly used for packaging. These include items intended to be used only once before they are thrown away or recycled. Grocery bags, food packaging material, food wrappers, packets, drinking straws, stirrers, containers, cups, spoons, forks, cling wrap, take away cups, water bottles. etc, are the most common plastic waste found in the environment.

This defiance on the use of single-use plastic has inescapably caused a disastrous outcome to our environment and has affected human health in inordinate ways. Plastic pollution is one of the biggest threats to the environment. But the good news is, the world is waking up to the problem and people are starting to act.

Besides the environment, plastic poses innumerable challenges to humans, animals and marine life as well. The exposure and use of plastics, additives may lead to a variety of health complications. Knowingly or unknowingly, we are ingesting plastic and exposing ourselves to its harmful side-effects that are direct and irreparable in many cases. Single-use plastic is probably the most dangerous of the lot given the poor quality and therefore, its availability at lower costs. The associated harm disrupts delayed neurodevelopment in children, fertility cycles, immune disorders, thyroid dysfunction, poor metabolism and a higher risk of hormone-related cancers and much more.

We not only consume microplastics when we eat contaminated food, but plastic microfibers are present in the air we breathe, the clothes we wear, and even the water we drink. There is indeed no escape. Disposable plastic products never fully disappear, they accumulate over time. This affects the natural environment, harms plants, animals and humans. It can take many hundreds of years for plastic to breakdown, so the damage to the environment is long-lasting. They don't decompose and release an incredible amount of toxins in the air if they are burnt.





“70 years ago Mukharochak sparked an affair with millions of Bengali households, which will continue for decades to come”

Pranab Chandra,
Owner,
Mukharochak,
speaks to
Progressive
Grocer about
the brand's
successful
journey of
70 years, the
important
milestones
achieved along
the way and its
plans for the
future.

Tell us about the founding of Mukharochak as a company and the vision behind its setting up?

It all started in a small way when my grandfather (late Panchanan Chandra) and father (late Nirmalendu Chandra) started the Mukharochak Chanachur Industry in 1950. The business began modestly that year with a production and sale counter being set up at Tollygunge Tram Depot (Kolkata, West Bengal). Our first product was chanachur – the spicy, tangy and crunchy ethnic snack of Bengal – which we pioneered.

And there has been no looking back ever since. All it took was an honest and humble approach of a family and their passionate desire to offer some satisfying yet very exciting snacks to all. The Chandra family almost single-handedly scripted the story of this everlasting affair between Bengalis and that time-tested ethnic snack chanachur.

For the past four generations, Mukharochak Chanachur Industry has continued to serve people with its tasty delights. We have become one of the most popular, respected and time-tested brands of India hailing from Kolkata. The Family of Chandras gave birth to the Mukharochak brand, which began its journey seventy years ago by sparking an amazing affair with millions of Bengali households, will continue to rule the palate of snacks loving consumers for decades to come.

What is the current standing of the brand in terms of its products and sales figures?

For 70 years now, Mukharochak Chanachur has made its way to every home in Bengal, either as an anytime tasty snack or as a spread for any celebration or parties. The premium products produced by Mukharochak are: chanachur, bhujia, alu bhujia, kabuli chana, moongdal, chira mixture

(chira bhaja), diet chiwra, masala muri, chaal bhaja, chowkhas, nimki, salted cashew nuts, salted peanuts, saonapuri (ghee, elaichi & chocolate), tin packed rosogolla, and gulab jamun.

Our products are categorised in such a manner that we can cater to all segments and classes of society. All our products come without cholesterol and are free of trans-fats. We have products like chaal bhaja, which is sugar free. As a result, these products are suitable for the elderly consumers. For the health-conscious consumers, we have brought diet chira and chira bhaja. For children, we have introduced products like nimbu mixture and masala muri.

What is the total number of products in your current portfolio and which are your most successful products?

We have 25 products in the snacks category and 5 variants in the sweets category. All our products have always been well accepted by our customers. In terms of sales figures, our 5 top selling products are: sweet & sour; special papri and chaal bhaja; diet chira; and dhanias peanuts.

Tell us of your manufacturing and production capabilities, factory size and location, number of employees, plant and machinery.... How would you describe the strengths of your brand?

Mukharochak is an ISO 9001:2015 & 22000:2005 certified company and it produces varieties of mouth-watering snacks in the most hygienic ways in its modern hi-tech plant at Gobindapur (near Baruipur), which is spread over an area of over 7 acres of land. The company has over 200 employees that are its true strength.

As a brand, our strengths lie in our highly successful blending of technology, our taste legacy



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