



Ahead of What's Next

Progressive GROCER

September 2021
Volume 15 • Number 9
Rs 100
www.indiaretailing.com

STORE DESIGN

How retail architecture can meet the needs of a post-pandemic era.

BAKERY TRENDS

Unique flavors and formats are fueling the category's growth.

INDIA EDITION

HEARTY MART

Retailer with a
Rural Heart and a
Business Model
Taught at IIM-A



NADEEM JAFRI
FOUNDER & CHIEF MENTOR
HEARTY MART



SNACK YOUR WAY TO GOOD HEALTH



*T&C apply

EDITOR-IN-CHIEF: **Amitabh Taneja**

EDITORIAL DIRECTOR: **R S Roy**

PUBLISHER: **S P Taneja**

EDITORIAL

EDITOR IN CHARGE: **Sanjay Kumar**

CREATIVES

ART DIRECTOR: **Pawan Kumar Verma**

DY. ART DIRECTOR: **Deepak Verma**

PRODUCTION

SR. GENERAL MANAGER: **Manish Kadam**

SUPPORT

SR. GM ADMINISTRATION: **Rajeev Mehndru**

ADVERTISING

DELHI

BUSINESS HEAD & ASSOCIATE PUBLISHER: **Lokesh Arora**

E: lokesharora@imagesgroup.in, M: +91 9999033612

MUMBAI

REGIONAL HEAD (WEST): **Santosh Menezes**

BENGALURU

REGIONAL HEAD (SOUTH): **Suvir Jaggi**

MANAGER: **Ashraf Alom**

FOR ADVERTISING QUERIES, PLEASE WRITE TO

E: salesfood@imagesgroup.in

CONSUMER CONNECT & SUBSCRIPTION

DEPUTY MANAGER: **Priti Kapil**

E: pratikapil@imagesgroup.in

Progressive
GRO CER

GROCERY GROUP PUBLISHER: **John Schrei**

GROCERY GROUP EDITORIAL DIRECTOR: **Mike Troy**

EXECUTIVE EDITOR: **Gina Acosta**

MANAGING EDITOR: **Bridget Goldschmidt**

SENIOR DIGITAL & TECHNOLOGY EDITOR: **Abby Kleckler**

CONTRIBUTING EDITORS: **Lynn Petrak** and **Barbara Sax**

EnsembleIQ
SMARTER TO MARKET

CORPORATE OFFICERS

CHIEF EXECUTIVE OFFICER: **Jennifer Litterick**

CHIEF FINANCIAL OFFICER: **Jane Volland**

CHIEF INNOVATION OFFICER: **Tanner Van Dusen**

CHIEF HUMAN RESOURCES OFFICER: **Ann Jadown**

EXECUTIVE VICE PRESIDENT, EVENTS &

CONFERENCES: **Ed Several**

SENIOR VICE PRESIDENT, CONTENT: **Joe Territo**



As we head into the festive season, there is an ongoing uncertainty on many fronts for retailers. However, there is one constant and that is the need to adapt to changing circumstances in the current marketplace.

From the rise of new variants in the ongoing COVID-19 pandemic, to concerns about higher food costs, to labour shortages and ongoing supply challenges, several issues are facing food

retailers who need to create programs tied to the festive season.

With the impact of Covid on consumer's eating habits and lifestyle changes now well established, supermarkets can anticipate consumer needs and offer practical ways to eat and drink better and bolster their immune system.

Applying their food retailing expertise, grocers can develop holiday-specific buying packages that match customer-specific health attributes. Retailers can help shoppers to stay healthy this festive season by identifying foods with vitamins C and D, zinc, healthy fats, natural fibre, and probiotics for boosting both gut and immune health.

Forging through these challenges requires close collaboration with partners such as CPGs, distributors and others whose successful holiday seasons are linked with grocers' efforts. Together, grocers and their various partners can ascertain and respond to what consumers will be looking for as they gear up for the holiday season.

Amitabh Taneja
Editor-in-Chief

All feedback welcome at editorpgindia@imagesgroup.in

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

Printed & published by S P Taneja on behalf of Images Multimedia Pvt. Ltd. Printed at Modest Print Pack (P) Ltd., C-52, DDA Sheds, Okhla Industrial Area, Phase 1, New Delhi - 110020 and published by S P Taneja from S-61A Okhla Industrial Area Phase - 2, New Delhi. 110020 Editor : Amitabh Taneja

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

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

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

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

Registered Office: S-61 A, Okhla Industrial Area Phase 2, New Delhi 110 020,
Ph: +91-11-40525000, **Fax:** +91-11-40525001

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

Mumbai: Pinto House, 2nd Floor, Plot No. 3/116, Marol
Co-operative Industrial Estate, Opposite GPL House, Near Marol Bhavan, Marol,
Andheri (East), Mumbai 400 059, T: +91 22 28508070 / 71 | F: +91 22 28508072

Cover Story 52

HEARTY MART

The Hearty Mart chain of 16 rural grocery stores across the neighborhood and supermarket formats has been providing a modern retail experience to the bottom-of-the-pyramid consumers in semi-urban and rural markets in Gujarat since 2004.



NADEEM JAFRI
FOUNDER & CHIEF MENTOR, HEARTY MART

8. Market Update

News and Reports on the Food & Grocery industry.



8

22. Bakery Trends

Find out what's trending in baked goods and bakery ingredients.



22

26. Festive Focus: Gifting

How retailers and brands plan to ride this season's festive boom and holiday cheer.



26

36. Festive Focus: Gifting

Brand Profiles of Happilo, Kharawala Products, Lal Sweets, and Noble Foods.



36

40. Festive Focus: Solutions

How grocers planning for the holidays must weigh in on a growing number of factors.

48. 4700BC

Delhi-based 4700BC is building on the fast-growing trend for popcorn sales and consumption in India and leveraging on this sizable market opportunity.



48

66. Agritech: Farm Solutions

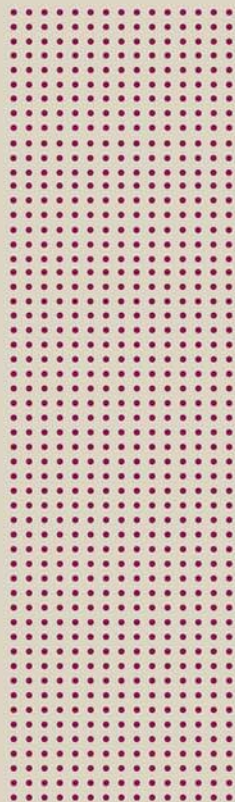
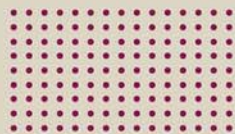
Indian AgriTech Set to Drive the New Green Revolution.

68. Store Design: SUPERMARCHE

How retail architecture can meet the needs of the urban consumer in a new normal post-pandemic era.

72. Retail: Digital Transformation

Transformation of Retail in the New Normal: Respond, Receive, and Thrive.



BLUEPRINT OF RESILIENT, FUTURE FIT FOOD BUSINESS ECOSYSTEM

AT



MUMBAI, FEBRUARY 2022

www.indiafoodforum.com

JOIN A POWERFUL MIX OF IDEAS, PRODUCTS, INNOVATIONS
AND SOLUTIONS FOR RETAILING IN A NEW WORLD.

- » OFFERING CONVENIENCE TO CUSTOMERS
- » OPTIMISING THE MERCHANDISE MIX
- » SPEEDING UP PRODUCT INNOVATION
- » PERFECTING A MULTICHANNEL RETAIL MODEL
- » RATIONALISING OPERATING COSTS
- » BALANCING GEARING RATIOS

OPPORTUNITY INDIA

TRANSFORMING FOOD RETAIL THROUGH INNOVATION

IMAGES
GROUP.IN

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

For Exhibition Queries: Anshu Arora: +91 9910698580 | anshuarora@imagesgroup.in

For Delegate Registration:
Priti Kapil: +91-9868801869 | pritikapil@imagesgroup.in

For Conference Related Queries & Speaker Opportunities:
Mohua Roy: +91-9811513711 | mohuaroy@imagesgroup.in



In the Mix

FIND OUT WHAT'S TRENDING IN BAKED GOODS AND BAKERY INGREDIENTS.

By Lynn Petrak

Baked goods have had a good run lately. From eponymous sourdough starters during the early days of the pandemic, to the near-rush on baked goods for entertaining over the summer, items from the in-store bakery and the baking aisle have been a regular source of comfort and sustenance.

According to the Madison, Wis.-based International Dairy Deli Bakery Association (IDDBA), the perimeter bakery fared better in July than in June, with improvements in breads/rolls and morning bakery. Those categories, plus desserts and sweet snacks, are performing strongly compared with 2020 and 2019, IDDBA's research found.

In the center store, there has been a leveling off of sales of breads/rolls and desserts compared with spikes during the pandemic stock-up and stay-at-home weeks in 2020. Still, according to data from market research firm 210 Analytics, center store breads/rolls are up 9.2% compared with the pre-pandemic year of 2019, while sales of sweet snacks are 8.7% higher than 2019 and morning bakery items rose 16.7% compared with two years ago.

Ingredients for baking are also on the upswing. The pandemic really did propel consumers back to the kitchen: A third of U.S. adults reported that they were baking more often than they did before the pandemic, according to findings from market research firm Mintel.

Key Takeaways

- ▶ From a category perspective, one of the more intriguing aspects of the current bakery market is the see-saw of sales between the perimeter and center store.
- ▶ Somewhere in between the trends of health and decadence are products that can be enjoyed in a spirit of permissible indulgence.
- ▶ Consumers looking to build on their sense of culinary adventure are fueling growth in unique flavors and formats of baked goods and ingredients.

From a category perspective, one of the more intriguing aspects of the current market is the see-saw of sales between the perimeter and center store, which reflects societal trends at the time. Depending on the COVID-19 situation, consumers stayed home more, baking and enjoying ready-to-eat baked goods, or started to feel more comfortable shopping the perimeter to pick up baked goods for occasions or choosing rolls in bulk.

"The in-store bakery has been doing very well recently. It was a department that had struggled, but made a tremendous comeback. The commercial bread aisle and bakery did better than the perimeter last year, which made sense," agrees Eric Richard, industry relations coordinator for



FESTIVE FOCUS
GIFTING

RIDING THE FESTIVE BOOM AND HOLIDAY CHEER

THE IMPORTANCE OF THE FESTIVE SEASON ISN'T LOST ON RETAILERS, WITH NEARLY THREE QUARTERS ADMITTING THAT THIS TIME OF YEAR ACCOUNTS FOR NEARLY 20-30% OF THEIR ANNUAL SALES. TO ENSURE THAT A PIECE OF THE FESTIVE SPENDING PIE COMES THEIR WAY, BRANDS AND RETAILERS PULL OUT ALL STOPS TO MOTIVATE SHOPPERS TO BUY MORE OF THEIR PRODUCTS AS GIFTS FOR FAMILY AND FRIENDS.

By Sanjay Kumar



'Tis the Season

Grocers planning for the holidays must weigh a growing number of factors.

By Lynn Petrak

Grocers are heading into a holiday season filled with ongoing uncertainty on many fronts. As the events of the past two years have shown, one of the only constants in the current marketplace is the need to adapt to changing circumstances.

From the rise of new variants in the ongoing COVID-19 pandemic, to concerns about higher food costs, to pervasive labor shortages and ongoing supply challenges, several simultaneous issues are facing food retailers that need to create programs tied to the holiday season. Some retail experts

are projecting an earlier-than-usual start to the holidays, which places an even greater emphasis on timely planning.

Forging through these challenges requires a balance of pragmatism and innovative thinking, as well as close collaboration with partners such as CPGs, distributors and others whose successful holiday seasons are linked with grocers' efforts. Together, grocers and their various partners can ascertain and respond to what consumers will be looking for as they gear up for the holiday season.

As of late summer, it's looking like a veritable grab-bag of options, all of which can be addressed with some well-laid plans — and contingency strategies. Notes Melanie Zanoza Bartelme, global food analyst for Chicago-based research

firm Mintel: "It really feels like that will be the critical approach throughout — be prepared to pivot."

To Grandmother's House We Go?

Following a decidedly low-key 2020, when consumers in many parts of the country were under travel restrictions and sticking close to home amid a COVID-19 surge, it was expected that 2021 would be marked by large-scale celebrations in both size and scale.

Given difficulties in totally quashing the coronavirus and the range in consumers' personal comfort levels, it may wind up being a holiday season that's somewhere between a bust and a blowout.

Early research affirms that possibility. "While consumers are eager about the upcoming holiday celebrations, 49% of consumers are still anticipating that COVID-19 will impact their plans in some way," notes Sarah Hughes, senior product marketing manager at Winston-Salem, N.C.-based Inmar Intelligence, which conducted a holiday consumer survey in June 2021.

"It's still very fluid," agrees Dave Anderko, supervisor, consumer insights and innovation at Hormel Foods, in Austin, Minn. "Some consumers are likely to go back to the big holiday parties and meals, as they've missed them. Others will continue with smaller gatherings that are less stressful [and] easier to manage, and keep gatherings more intimate with their family and friends. Some



Key Takeaways

- ▶ Difficulties in totally quashing COVID-19 and consumers' varying comfort levels may lead to a holiday season that's somewhere between a bust and a blowout.
- ▶ In this fluid environment, grocers should offer a mix of products and portions catering to different levels and kinds of celebrations.
- ▶ In addition to spotlighting sale prices for budget-conscious consumers, retailers can get creative with assortments and promotions.



Retailer with a Rural Heart and a Business Model Studied Globally and Taught at IIM-A

THE HEARTY MART CHAIN OF 16 RURAL GROCERY STORES ACROSS THE NEIGHBORHOOD AND SUPERMARKET FORMATS HAS BEEN PROVIDING A MODERN RETAIL EXPERIENCE TO THE BOTTOM-OF-THE-PYRAMID CONSUMERS IN SEMI-URBAN AND RURAL MARKETS IN GUJARAT SINCE 2004.

ITS UNIQUE FRANCHISE MODEL HAS HELPED TURN ASPIRING RURAL ENTREPRENEURS INTO SUCCESSFUL SUPERMARKET OWNERS, BESIDES CREATING A NURTURING ECO-SYSTEM FOR SUPPORTING NEW RETAIL VENTURES AND OPENING UP NEW ENTREPRENEURIAL AVENUES FOR RURAL COMMUNITIES.

ITS MUCH-ACCLAIMED FRANCHISE MODEL HAS EARNED HEARTY MART WIDESPREAD KUDOS, NATIONALLY AND GLOBALLY. THE MODEL HAS BECOME A LEARNING MODULE AND A CASE STUDY IN PREMIER B-SCHOOLS, INCLUDING THE IIM-A, AND IS ALSO TAUGHT OVERSEAS FOR HELPING AND HAND-HOLDING RURAL RETAILERS WITH THE RIGHT GUIDANCE AND SKILLS-SET TO BECOME MODERN SUPERMARKET OWNERS.

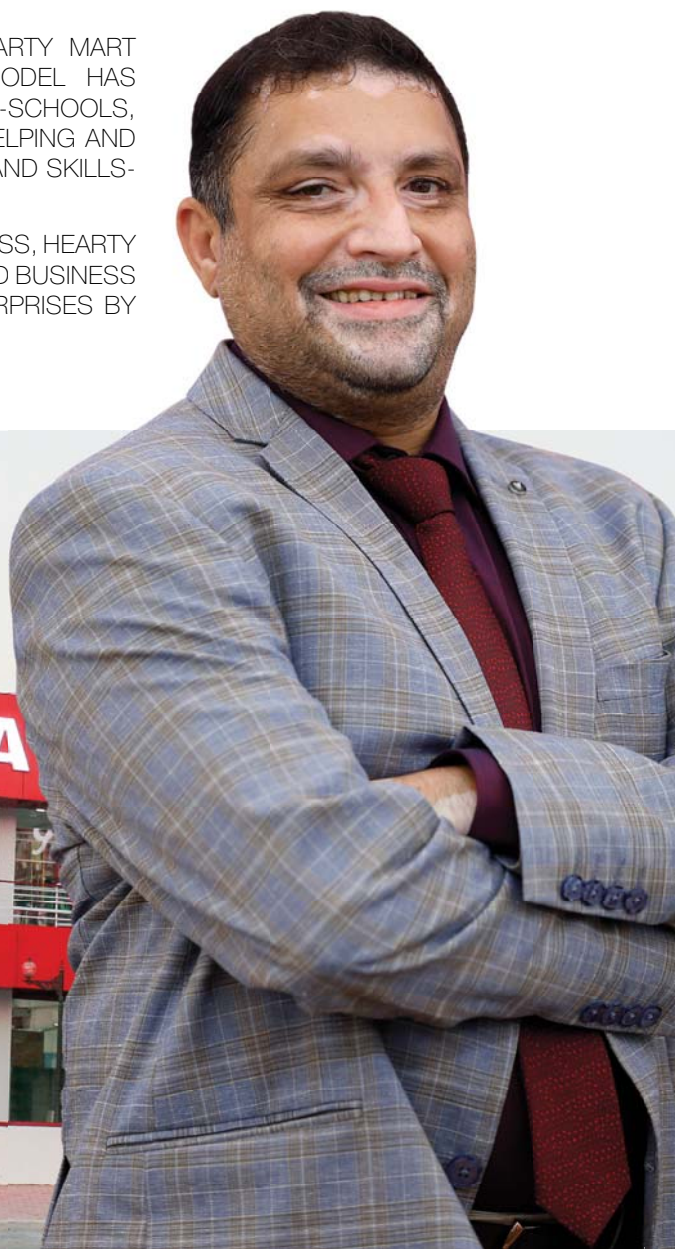
APART FROM ITS FOOD AND GROCERY RETAIL FRANCHISE BUSINESS, HEARTY MART HAS ALSO DIVERSIFIED INTO OTHER SECTORS OF THE FOOD BUSINESS AND HAS SUCCESSFULLY CREATED AND BUILT 9 MICRO-ENTERPRISES BY PARTNERING WITH MICRO ENTREPRENEURS OF VILLAGES.

By Sanjay Kumar



NADEEM JAFRI

FOUNDER & CHIEF MENTOR
HEARTY MART





Indian AgriTech Set to Drive the New Green Revolution

THE UBIQUITY OF MOBILE PHONES IS HELPING INDIAN FARMERS TO REACH OUT TO NEW WAYS OF GET THEIR PRODUCE TO THE MARKET BESIDES ALLOWING THEM TO REAP THE BENEFITS OF TECH SUCH AS SATELLITE IMAGERY, SOIL HEALTH AND LAND RECORDS, CROPPING PATTERNS AND FREQUENCY, ETC., ALL OF WHICH HAS THE POTENTIAL TO SIGNIFICANTLY IMPROVE OUR AGRICULTURE'S VALUE CHAIN.

By Nishant Rath

The Indian agriculture environment has long since advanced from being state-based to swiftly gaining the potential to become the 'food bowl of the world' with the country on its way to becoming a major global food producer. While its rise has been promising, the industry took a massive hit with the global pandemic, just like all other industries of the world.

As the demand-and-supply chains were momentarily paralyzed, agriculturists and farmers sought new ways to get their produce to the market which resulted in giving a huge boost to technology and for numerous e-commerce platforms.

The recently witnessed growth in the AgriTech sector is owing to its massive unrealized potential. As mobile phones have penetrated into the most remote areas and internet facilities are becoming easier to access and afford, many farmers have now been exposed to the possibilities of technology, bringing about a new Green Revolution.

Role of AgriTech

At its roots, this sector is focused on improving the roots of agriculture — crops — and at the same time empower farmers to not just improve their yield but also the efficiency and profitability

STORE DESIGN
SUPERMARCHE

Reimagining Architecture & Design for Stores of the Future

GURUGRAM-BASED SYNC DESIGN STUDIO — WHOSE FOUNDING TEAM COMPRISES A YOUNG, SELF-MOTIVATED GROUP OF ARCHITECTS — HAS BEEN RAISING THE BAR FOR RETAIL ARCHITECTURE OF THE FUTURE.

THEIR COMMITMENT TO CONSUMER-CENTRIC ARCHITECTURE LAYERED WITH A COLLABORATIVE AND HOLISTIC APPROACH CAN BE SEEN IN THEIR DESIGN AESTHETICS FOR SUPERMARCHE, A BESPOKE, EXOTIC GROCERY AND ESSENTIALS STORE IN LUDHIANA.

By Urvashi Vasishtha

ORIKA®

Trusted for a perfect recipe®

INTRODUCING SPRINKLERS



BRING HOME THE GOURMET



UNIQUE TWO WAY
MOISTURE
RESISTANT CAP



INGREDIENTS
SOURCED FROM
BEST PLANTATION



NO ARTIFICIAL
FLAVOURS
AND COLOURS



IDEAL FOR
SEASONING



Scan the QR and get the
spiciest updates on Instagram.
Like, Follow and Share.

Available in all leading supermarkets, retail outlets and e-commerce portals.



Order online:
orikaflavours.com
+91 98152 16786