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INDIA EDITION



Milky Mist

South India's numero uno dairy player clocking gangbuster growth at 32% CAGR and estimated earnings of Rs. 2,200 crore for FY 23-24



K. RATHNAM, CEO, Milky Mist Dairy Food Private Limited



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India is the largest producer of milk in the world, contributing 23% of global milk production. But far from being a volumetric paradise for milk, India's dairy industry finds itself behind the eight ball, beset with a welter of challenges such as low milk productivity, poor milk quality, and inefficient supply chain management.

Headquartered in Erode, Tamil Nadu, Milky Mist is one dairy company that is showing the way for the industry to ramp up productivity, efficiency and profitability. Read our story on pages 26–35 to know how the company, founded in 1992 by a class VIII school dropout, has ridden to the top league of India's dairy industry, growing at a 32% CAGR and earnings slated to come in at Rs. 2,200 crore this fiscal. Today, Milky Mist is among the leading dairy brands in India and when it comes to the dairy industry in south India, it sits right atop the higher ridges of Mount Olympus.

As with milk and dairy, India is also the largest producer, consumer, and exporter of spice products. The spices category has been registering strong kinetic growth at 15% year-on-year with value-added, organic and blended spices taking the lead. Our story on pages 42–55 takes a deep dive into the consumption trends and the market movement of the spices category.

With consumers trying to find a balance of good taste, economical use and simplicity when buying spice products, retailers, brands and marketers need to assess and promote products that are in sync with the evolving consumption trends. Product-market fit offerings should therefore be based not only on taste or price parameters but also on the basis of convenience, nutritional values, sourcing and origin of the ingredients and other key considerations such as packaging and communication.

This issue has many other insightful and informative stories for readers to look at and browse. Sit back and enjoy.



Amitabh Taneja
Editor-in-Chief

All feedback welcome at editorpgindia@imagesgroup.in

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How Milky Mist Wears the Dairy Crown in South India

Clocking Rs. 1,500 crore in turnover for FY22-23, which is expected to reach Rs. 2,200 crore this fiscal, Milky Mist today is among the leading dairy brands in India and when it comes to the dairy industry in south India, it sits right atop the higher ridges of Mount Olympus.



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Trends and customer spending patterns in the Direct Selling Industry

The Direct Selling industry in India is witnessing significant changes in customer spending patterns and trends. The focus on health and wellness, localization and regionalization, digital transformation, the rise of micro-entrepreneurship, and customer service and support are key trends that are shaping the industry.

BY SUJIT JAIN

Direct Selling is a rapidly growing industry in India, and it has witnessed significant changes in customer spending patterns and trends in recent years.

According to a report released by the Washington-based World Federation of Direct Selling Associations (WFDSA), the Indian direct selling industry reported retail sales of USD 3.25 billion in 2021 (around Rs. 27,650 crore) and maintained its 12th place in the global rankings. It also reported growth of 7.7 per cent in 2021 and had a CAGR (Compound Annual Growth Rate) of 15.7 per cent from 2018 to 2021.

In 2023, the industry continues with its growth trajectory, and new trends are emerging in the way customers spend their money. Let's take a closer look at some of the key trends and customer spending patterns that are shaping the Direct Selling industry in India this year.

Focus on Health and Wellness

One of the major trends in the Direct Selling industry in India in 2023 is the focus on health and wellness. Indian consumers are becoming increasingly health-conscious and are willing to spend money on products that promote good health. They are more conscious of the harmful effects of chemicals and synthetic ingredients in their current health & wellness products. As a result, there is a growing demand for natural and organic products that are free of harmful chemicals and toxins. Consumers are also increasingly looking for products tailored to their specific health needs and preferences. Direct Selling companies in India are responding by offering a wide range of health and wellness products, including nutritional supplements, fitness equipment, and herbal/organic food products.

Localization and Regionalization

Direct Selling companies in India are recognizing the importance of localization and regionalization. India is a diverse country with multiple languages, cultures, and traditions, and Direct Selling companies are adapting their products and marketing strategies to appeal to customers in different regions of the country. This trend is evident in the localization of product packaging, promotional materials, and sales strategies.



Exploring the market potential for hemp-based products in India

As consumers become more aware of the benefits of plant-based products, including their nutritional value, reduced environmental impact, and cruelty-free nature, the demand for hemp is expected to grow exponentially.

BY DAANISH MATHEEN



Hemp, derived from the cannabis plant species, is witnessing a gradual change in perception among Indians. While hemp cultivation has a long history in India, there is a growing willingness to explore the diverse potential of this plant, ranging from its fiber and seeds to its therapeutic properties.

Distinguishing hemp from marijuana is crucial, as both fall under the broad classification of the cannabis plant. The key distinction lies in the concentration of tetrahydrocannabinol (THC), a psychoactive compound. Hemp plants contain minimal levels of THC (0.3% or less), while marijuana plants have higher concentrations. This differentiation underscores the industrial uses and versatility that make hemp a valuable resource.

Hemp's environmental and health benefits

Hemp's abundant protein, essential fatty acids, and nutrient content have caught the attention of enthusiasts. So, what factors contribute to this growing trend of hemp's popularity? One key driver is hemp's environmentally sustainable cultivation process, requiring minimal pesticides and water. For a country like India, this eco-friendly approach offers a win-win. Additionally, heightened awareness about hemp's therapeutic benefits, including pain relief and anxiety reduction, has piqued the interest of the audience. This combination of health advantages and sustainable cultivation practices has piqued the interest in hemp.

India's flourishing hemp market

India has witnessed a remarkable expansion in the hemp market over the past five years. While

comprehensive data on the market's size remains limited, industry reports and estimations shed light on its impressive growth trajectory. According to research, the global industrial hemp market was expected to reach USD 4.74 billion in 2022, with a projected compound annual growth rate (CAGR) of 17.1% from 2023 to 2030. Within this landscape, India stands out as a thriving hub, experiencing substantial advancements and opportunities within the flourishing hemp industry. As consumers become more aware of the benefits of plant-based products, including their nutritional value, reduced environmental impact, and cruelty-free nature, the demand is expected to grow exponentially.

From niche to mainstream - What will drive this shift?

Consumer interest in hemp has witnessed a significant surge with individuals increasingly prioritizing and shifting towards plant-based alternatives, ranging from skincare to dietary supplements. The nutritional value of hemp has particularly sparked interest within the food and beverage industry, leading to a heightened demand for plant-based products like hemp seeds and hemp protein powders.

To harness the full potential of hemp for mass usage, several key factors come into play. Firstly, raising awareness about the health benefits of hemp and dispelling misconceptions surrounding its association with marijuana is crucial. Educating the public will foster greater acceptance and understanding of this versatile plant. Secondly, fostering development, research, and hemp cultivation will attract more investors and entrepreneurs, encouraging their active participation in the market. Lastly, support and collaboration from the government are vital to create an enabling environment



Trends and Outlook of Ayurvedic Market in India

There has been a significant shift in consumer preferences toward natural and traditional healthcare solutions. Ayurveda, with its emphasis on preventive care and natural remedies, has witnessed a surge in its demand. In 2022, the Indian ayurvedic market was valued at INR 626B. The market size is expected to reach INR 1,824B by 2028, registering a CAGR of 19.3% during 2023-2028. There is an increased interest in Ayurvedic therapies, herbal formulations, and lifestyle practices. This growing interest presents significant opportunities for the Ayurvedic market to expand its customer base and increase its market share.


BY YASHNA GARG






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One cutting-edge technology kitchen product that has revolutionized the way for both experienced and amateur new home cooks in the kitchen, while saving time and yet ensuring a hassle-free cooking experience for culinarians of all levels, is Asahi Kasei's Premium Wrap - the latest innovation in the food storage, cooking and freshness space.

Keeping in mind the high demand in this segment, Asahi Kasei has launched a new version of the Premium Wrap in 10-meter size for the end users who can now enjoy quality at an affordable price of only Rs. 149 after discount. One can store food using the Asahi Kasei Premium Wrap to prolong the freshness and edibility of the meals you cook, so nothing goes to waste and is safe to consume the next day. One can store items such as raw vegetables, fruits, poultry, sea food, roti dough and much more without fear of discoloration or oxidization.



“While most of us think storing leftover food and consuming it the next day is a concern, the Premium Wrap is a great way to keep the food fresh and prevent its wastage.”

– **Luv Oberoi**, Sr. Marketing Manager – Asahi Kasei India

Asahi Kasei introduces Premium Wrap in affordable pricing

Asahi Kasei, a global giant in chemicals and material science and Japan's No. 1 kitchen brand, has introduced an all-new version of its revolutionary Premium Wrap, which can make food preparations last longer and retain the freshness.

Asahi Kasei's Premium wrap keeps food crisper and fresher for longer by locking in moisture and preventing oxygen from flowing through. It makes packing and storage of food items at room temperature or in the refrigerator more efficient.

The product is made of PVDC (Polyvinylidene chloride) cling film and can be easily cut through its in-built cutter. Premium Wrap is much better for storing acidic foods. It doesn't react with anything and the thin film also means it's very malleable.

Premium Wrap is much better than the regular Aluminium Foil for keeping marinating meats fresh inside the fridge. For most fresh foods, the Premium Wrap can seal produce tighter than aluminium foil. It's ideal to keep food fresh like leftover foods and for packing chapati as you can stop them from oxidizing. Furthermore, it is perfect to store or reheat any kind of Indian or exotic preparation in microwave without removing the wrap.

“While most of us think storing leftover food and consuming it the next day is a concern, the Premium Wrap is a great way to keep the food fresh and prevent its wastage. Food wastage is a major concern in our country and we as a brand are trying to resolve it both at the micro and macro level,” says **Luv Oberoi**, Sr. Marketing Manager – Asahi Kasei India.

The Premium Wrap is now available in stores like Reliance Signature and Shakari Bhandar stores, Ratnadeep, Lulu Hypermarket, Le Marche, Spencers, Foodhall, Natures Basket in Mumbai, Delhi, Pune, Bangalore, Kolkata, Hyderabad, Chennai, Kerala and also online at Amazon, Flipkart, Big Basket and D Mart Ready. **PG**

HOW MILKY MIST ADORNS THE DAIRY CROWN IN SOUTH INDIA

Milky Mist was founded in 1992 by Satish Kumar T when he was just a teenager and not yet out of school. Once he took over the business, Kumar took his small fledgling brand that started out selling paneer in cities like Chennai, Coimbatore and Bangalore to spinning its magic wheels across India's dairy industry.

Milky Mist's USP is that it is the only 100% value-added milk and dairy products manufacturing company in south India with products available across all the dairy categories and across a wide range of SKUs and pack sizes.

The company transports its products across the length and breadth of India, from Kashmir to Kanyakumari. Milky Mist's key markets lie across the entire southern region of India – Tamil Nadu, Kerala, Andhra Pradesh, Telangana, Karnataka, and Goa – which contribute about 65% of the company's topline. The company also has its brand footprint in the Northeast, East India, West India, and in Delhi-NCR in the North. It also exports its products to countries like Sri Lanka, Maldives, Singapore, the Middle East, Bhutan, and Australia.

Clocking Rs. 1,500 crore in turnover for FY22-23, which is expected to reach Rs. 2,200 crore this fiscal, Milky Mist today is among the leading dairy brands in India and when it comes to the dairy industry in south India, it sits right atop the higher ridges of Mount Olympus.

BY SANJAY KUMAR



K RATHNAM

CEO, Milky Mist Dairy Food Private Limited





Tracking the Spice Route: Trends and Market Watch

The demand for spices in India is driven by their importance in culinary traditions, medicinal properties, and increasing consumer health consciousness. While the overall category has been witnessing at a healthy double digit growth in the past three years, certain segments like value-added packaged spices and organic are growing at a faster clip. But their pace of growth in the future may vary based on evolving consumer preferences, market trends, and the ability of industry players to adapt and innovate.

Consumers are looking for ready-to-use spice mixes, pre-packaged spice blends, and value-added products that simplify cooking and save time in meal preparation. At the same time, they are also trying to find a balance of good taste, economical use and simplicity when buying spice products. Retailers, brands and marketers need to assess and promote products that are in sync with the evolving consumption trends – based not only on taste or price parameters but also on the basis of convenience, nutritional values, sourcing and origin of the ingredients and other key considerations such as packaging and communication.

BY PROGRESSIVE GROCER BUREAU

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How can retailers build an effective omnichannel strategy

Building an effective omnichannel strategy is an ongoing process and involves continuous monitoring of key performance metrics and customer feedback to identify areas for improvement.

BY RAGHUNANDAN SARAF

In today's digital age, businesses must adapt and evolve to meet the changing needs and preferences of their customers. Maintaining consistency and eliminating disconnects between different channels is crucial for a successful business marketing strategy. When executed effectively, it can lead to increased sales and customer satisfaction. Conversely, a poorly executed strategy can result in lost customers and missed opportunities. An effective omnichannel strategy has emerged as a powerful approach to engage customers seamlessly across multiple channels, both online and offline.




Omnichannel marketing is a comprehensive strategy that leverages multiple marketing channels to provide a cohesive, personalized experience for customers across all brand touchpoints. This approach seamlessly integrates in-store, online, social media, email, text messages, and printed materials to guide customers along their journey.

Here are the key tips for building an effective omnichannel strategy that can help retail businesses succeed in the highly competitive marketplace.

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