

Progressive GROCER

Ahead of What's Next

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SUPPLY CHAIN

How to streamline your dairy supply chain with Distribution Management Solutions.

ONLINE SHOPPING

Technologies that are reshaping how consumers shop online.



30 Nov-01 Dec
2023

THE WESTIN MUMBAI
POWAI LAKE



Jumbotail

What makes this seven-year-old start-up an 800 pound gorilla of the kirana world?



L to R: Karthik Venkateswaran and Ashish Jhina, Co-founders, Jumbotail Technologies Pvt. Ltd.

PROCESSED FOOD
Barreling forward on ginned-up demand

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

EDITORIAL ADVISOR: **R S Roy**

CEO: **Nikhil Behl**

PUBLISHER: **S P Taneja**

EDITORIAL

EDITOR: **Sanjay Kumar**

CORRESPONDENT: **Aakriti Virmani**

CREATIVES

ART DIRECTOR: **Pawan Kumar Verma**

DY. ART DIRECTOR: **Deepak Verma**

PRODUCTION

SR. GENERAL MANAGER: **Manish Kadam**

SUPPORT

SR. GM ADMINISTRATION: **Rajeev Mehandru**

ADVERTISING

MUMBAI

GENERAL MANAGER: **Rajesh Acharya**
rajeshacharya@imagesgroup.in

BENGALURU

REGIONAL HEAD: **Suvir Jaggi**
suvirjaggi@imagesgroup.in

CONSUMER CONNECT & SUBSCRIPTION

SR. MANAGER: **Priti Kapil**
pritikapil@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**

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For some years now, many online grocery platforms are trying to supercharge our huge kirana ecosystem. The likes of udaan, Shopkirana, Jiomart, and a few others immediately come to mind. All of them are offering a full suite of solutions that is helping small retailers to tap into a wider consumer base and transform into modern convenience stores.

One such start-up providing complete business-in-the-box solutions to over 2,50,000 kiranas is the Bangalore-based e-B2B grocery platform Jumbotail. Read our cover story (pages 24-33) that weaves a rich tapestry of its grocery retail journey along the seven years of its operations.

In 2015, when the whole world and their uncle were going crazy after B2C online grocery start-ups, two former classmates from Stanford university – Ashish Jhina and Karthik Venkateswaran – made a counter-intuitive move and launched their online B2B marketplace for food & grocery.

Today, the seven-year-old Jumbotail is worth Rs. 2,262 crore in gross merchandise value with operations spread across 50+ major cities and towns. The company has now grown into a pan-India B2B e-commerce platform that offers a complete suite of go-to-market services for brands looking to reach the kirana market, thus shaping both retailer demand and consumer demand.

Our other big story in this issue shines the spotlight on the processed food category (pages 40-51). Recent years have seen processed food gaining more shelf space in a majority of retail formats. Improvements and better reach of food retail is supporting the growth of organic, fortified, functional and better-for-you types of processed food products. Brands that want to tap into this fast-growing market will need to innovate to meet the demands for healthy ingredients and more flavours.

Amitabh Taneja
Editor-in-Chief

All feedback welcome at editorpgindia@imagesgroup.in

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

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Jumbotail Wants to Become an 800-Pound Gorilla of the Kirana World

Started in 2015, Bangalore-based Jumbotail grew slowly in the initial years, registering 1,000 small and medium kirana stores in the first year of operations.

Today, the platform serves 2,50,000 small and medium retailers across 50+ major cities and towns and it moves 1.1 billion units of products in a year.

40. Processed Food

Recent years have seen processed food gaining more shelf space in a majority of retail formats. Improvements and better reach of food retail is supporting the growth of organic, fortified, functional and better-for-you types of processed food products. Brands that want to tap into this fast-growing market will need to innovate to meet the demands for healthy ingredients and more flavors.



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Technologies that are reshaping how consumers shop online

Technology improvements and shifting consumer preferences will shape an innovative and dynamic future for online trading and e-commerce. Hyper-personalization, seamless AR and VR integration, voice commerce, social commerce, block chain and crypto currency integration, sustainability, and drone and autonomous vehicle delivery are all part of the future's vision.

BY ANUJ BHATIA



A New Face, A New Era: Shubh Foods Industries Pvt. Ltd. names Nitou Shah Gambhir as VP



Leading Hing, Seasoning, and Spices manufacturing and private labeling company, Shubh Foods Industries Pvt. Ltd., has appointed Nitou Shah Gambhir to the role of Vice President.

Nitou has joined Shubh Foods after spending more than a decade in real-estate sales. She will be at the helm of Shubh Foods' sales function, providing direction to the entire sales team, across Modern Trade, B2B, B2C, and Export verticals.

She will play a key role in implementing innovative product ideas, to cater to the immediate needs of young consumers, especially working women, who live a fast paced lifestyle in India's metro cities. Nitou's presence in the organization has already resulted in a 45% increase in profit in less than 7 months. The company has previously launched 'Tadka Blast', a range of regional ready-spice mixes, so that an individual residing in Maharashtra can make authentic Bengali Food, without the headache of following a complicated recipe and adding multiple spices. Along with Bengali spice, the range also includes Maharashtrian, Punjabi and Gujarati spice mixes.

Continuing with its string of novelty products, the company has recently launched Hingytwist, "Millets Wali Hing". Unlike traditional hing which is made of rice or wheat, it is a gluten-



**Harish Gambhir - Chairman, Shubh Foods, and
Nitou Shah Gambhir, VP**

Continuing with its string of novelty products, the company has recently introduced a range of new products - Hingytwist, Spizzy, and Khazana Silver.

free Hing product, made of Millets (Bajra, Nachni, Jawar). The third innovative product, Khazana Silver, is a selection of high-quality Indian and International spices. Also in the works is their product, 'Spizzy', India's first masala spray which enhances the taste, aroma, and appearance of your dish in a few seconds.

Tadka Blast has already achieved tremendous success in private labeling and export. Looking ahead, Shubh Foods is poised to not only introduce Tadka Blast but also unveil three other groundbreaking products within the Indian market. As Shubh Foods charts its course forward, their focus will now shift towards identifying reputable and influential retailers and distributors, to elevate these innovative brands to new heights. And with the help of this new business leader, Shubh Food Industries is surely set to write a new chapter for itself and all its clients. **PG**



JUMBOTAIL WANTS TO BECOME AN 800-POUND GORILLA OF THE KIRANA WORLD

At a time when the whole world and their uncle were going crazy after B2C online grocery start-ups, two former classmates from Stanford university stepped out on a limb to make a counter bet.

Like a lawyer prepping his case carefully, the two had closely analyzed India's grocery retail market and arrived at the conclusion that the road to a successful retail business in grocery ran through India's 12 million plus kirana shops.

So, while B2C online grocery start-ups were having their moment under the sun, Ashish Jhina and Karthik Venkateswaran launched their online B2B marketplace for food & grocery in 2015, in Bangalore.

Their baby Jumbotail took off the blocks slowly in the initial years, registering

1,000 small and medium kirana stores in the first year of operations. By the fifth year of its operations, Jumbotail's customer base climbed to 30,000 retailers.

Today, the platform serves 2,50,000 small and medium retailers across 50+ major cities and towns and it moves 1.1 billion units of products in a year. Worth Rs. 2,262 crore in GMV value, Jumbotail today handles 1.5 million orders every month, of which more than 75% are delivered the next day.

BY SANJAY KUMAR



L to R: Karthik Venkateswaran and Ashish Jhina, Co-founders, Jumbotail Technologies Pvt. Ltd.

Streamline Your Dairy Supply Chain with Distribution Management Solutions

Distribution management solutions can deliver a real-time view into the supply chain, with real-time tracking and data analytics features that will enable the dairy sector to detect potential issues and ways to swiftly overcome them in the distribution process.

BY SAMARTH SETIA

Dairy is one of the most critical sectors globally, providing millions of people with daily sustenance. But because of its complexity and constant evolution, it requires efficient and streamlined distribution management to meet the demands of both the consumers and dairy farms. As a result, the industry has undergone significant transformations in recent years to integrate technological advancements.

Despite the growing number of innovative technologies, the dairy industry continues to face numerous supply chain challenges, including low productivity, poor milk quality, and inefficient supply chain management. Surprisingly, approximately 80% of farms still rely on manual operations, often using pen and paper. There is a lack of visibility in the supply chain system, which is causing hurdles.

What the industry needs is a distribution management solution that can deliver a real-time view into the supply chain, with real-time tracking and data analytics features that will enable the dairy sector to detect potential issues and ways to swiftly overcome them in the distribution process.



How Retailers and Brands can fire their business on all cylinders

An effective strategy for category management by retailers and brands entails deciding on the points of optimization in the path to purchase: pricing, shelving, assortment, among other things. By focusing on their category management strategy, retailers and brands can not only meet the needs of customers in a better way but also maximize profitability and shopper satisfaction.

BY AAKRITI VIRMANI

What immediately hits the eye and registers on your senses upon entering a supermarket? It's the store's elegantly lined display shelves and well-assorted racks and baskets – all aligned neatly in geometric precision to appeal to our eyes and aesthetics.

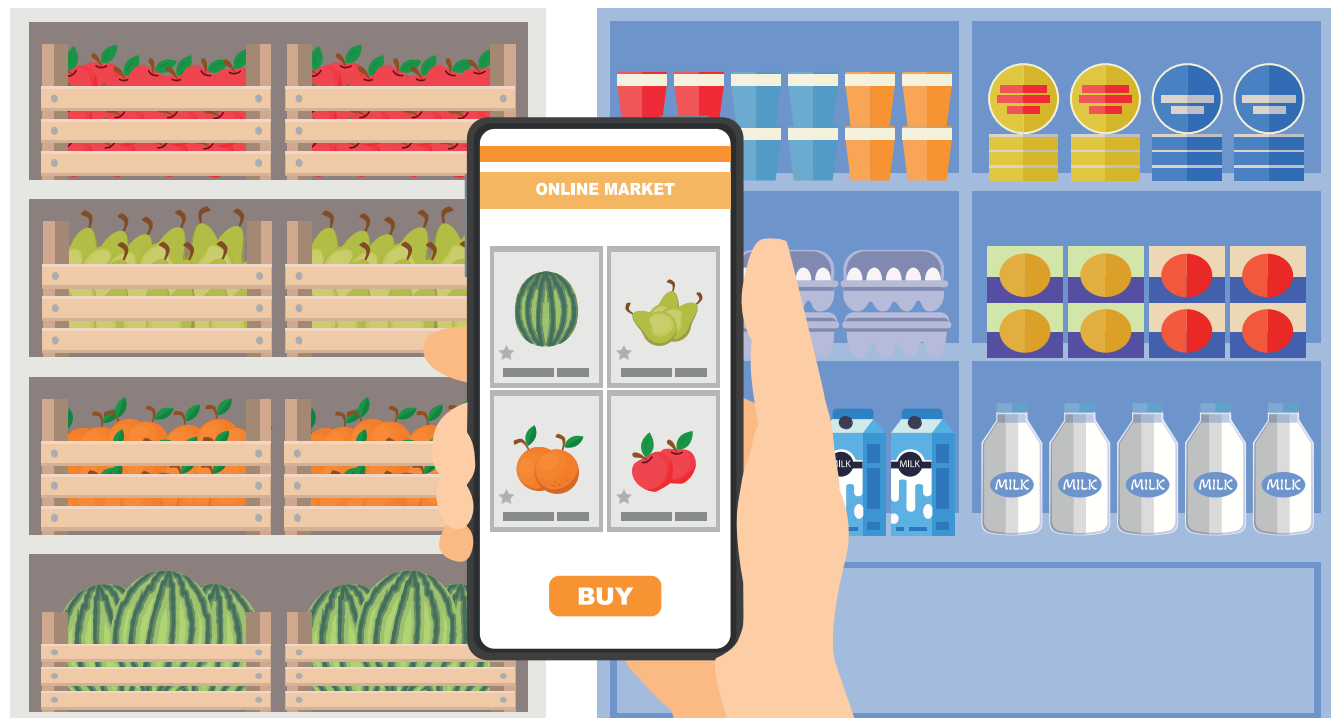
For any supermarket or hypermarket, the biggest challenge is to get the customer inside the store and induce her into making a purchase. If a store is successful at attracting a large number of customer footfalls and in coaxing the visitors to shop for products, it's a tribute to the shop's adroitness in category management.

Category management is amongst the most critical elements of running front-end supermarket operations.

In essence, category management is an art or science to arouse shopper's buying instincts. Supermarkets that are able to exploit and leverage their category management skills invariably attract customers and fulfill their needs in a way that looks like a well-oiled exercise in cultivating customer relations.

Category management also acts as a via-medium for brand owners to interact with retailers and end consumers. It also provides the language, process framework, and metrics for communicating all strategic and tactical recommendations to the retailer.

Besides, it helps brands and retailers to meet the needs of the consumer in a better way by deciding on the points of optimization like pricing, shelving, assortment, among other things, all of which help to maximize profitability and shopper satisfaction. By employing a strong category management strategy, brands and retailers can judge and evaluate consumer buying patterns and market trends besides gaining a sharpened focus on the entire product range.





Barreling forward on ginned-up demand

Recent years have seen processed food gain more shelf space in a majority of retail formats. This is poised to increase further in the future. Retailers are stepping out and extensively launching specific processed foods as private labels. The wide acceptance of such store-owned products is boosting the quality of offerings, leading to higher consumption among the masses. Improvements and better reach of food retail will be the key driver to speed up the penetration of processed food.

With health benefits and hygiene becoming increasingly important, consumers have become calorie-conscious and track calorie intake while consuming packaged processed foods. This has, in turn, supported the growth of organic, fortified, functional and better-for-you types of processed food products.




For brands, there is always a need for product innovation as consumers nowadays not just like safe but useful additives as well. The emphasis of usefulness has slowly shifted from useful in processing or useful for manufacturer to useful for consumers, which will seed the demand for new, narrowly tailored food products in the market.

BY PROGRESSIVE GROCER BUREAU

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Consumption trends in F&G / FMCG market; Innovations by brands and retailers; Success Stories/ Case studies on interesting concepts in F&G / FMCG; The scope of 'Make in India' in the food sector; Modern Cash & Carry business vs. Traditional general trade and wholesale markets in India; Investments Opportunities in Food backend operations; Successful brand-retailer collaborations and partnerships; Private Labels; Successful marketing/ branding or sales campaigns by brands and retailers

Contact **Sanjay Kumar**
(sanjaykumar@imagesgroup.in);
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D2C Revolution: Bridging the Gap between Consumers and Brands

D2C model is bridging the gap between consumers and brands. The new revolution is enhancing shopping experience for consumers. D2C businesses employ technology to develop streamlined, user-friendly websites or mobile applications that will streamline the purchase experience, improving online experience for everyone. With direct access to brands, individualized experiences, and lower costs, the buying experience is made easier, and manufacturers gain useful information that helps them make desired products.

BY HEMANGI DHIR

The Direct-to-Consumer (D2C) revolution has changed how customers engage with and buy items in recent years, revolutionizing the landscape of consumption. With the help of this emerging trend, which has given both consumers and companies previously unheard-of advantages and prospects, the gap between them has been effectively closed.

Wholesalers, distributors, and retailers were only a few of the many middlemen used in traditional retail arrangements. These middlemen frequently masked the direct connection between customers and brands, limiting customer insights and raising expenses. This status quo has been changed with the emergence of direct-to-consumer (D2C) brands, which enable businesses to sell their goods to customers directly through internet channels.

The D2C revolution that uses technology, and data to enable it all, is one of its coolest aspect, and data to enable it all, is one of its coolest aspects. To learn what you like and desire, brands use data analysis and digital channels. As they get to know you better, they will be able to offer you items that are precisely suited to your preferences.

ANTICIPATING NEEDS

By PG Staff

CPG companies break down their approaches to innovation in a range of categories — and provide some glimpses of what’s to come.

What does it take to be ahead of what’s next? Progressive Grocer has long sought answers to this question in the grocery space — and now we’ve expanded our quest for knowledge to consumer packaged goods companies, which largely maintain the pipeline of new and exciting products that will entice shoppers into stores this year and in the future.

To find out their varying approaches to innovation, PG checked with eight companies — and one marketing firm — across various categories. Many told us that they depend on deep consumer research and technology-driven insights to inform their innovation decisions, although perhaps the most on-point answer came from Scott Aakre, SVP, Brand Fuel at Austin, Minn.-based Hormel Foods, who described the concept as “really an art and a science,” relying as it does on an “it” factor that goes far beyond shopper analyses or the latest tech solutions. After all, we’re all aware of products that probably sounded good on paper but in the real world, not so much. This past year, for

instance, there was online-exclusive Coca-Cola Byte, billed rather grandly by the company as “the first-ever Coca-Cola flavor born in the meta-verse,” but which one reviewer likened to “raspberry-flavored cardboard.”

Still, despite the occasional setback, CPG companies “must be open to new, relevant products that add value to the brand and the company’s value proposition, and profit to the bottom line,” note Maile Buker and Simon Waters, CMOs with Chief Outsiders, a fractional CMO firm focused on helping companies build their engines for revenue growth, in the article “How CPG Companies Can Grow in a Recession.” Buker and Waters add that “the right products with the right advertising and corporate initiative will be profitable.”

Of course, as the CMOs observe with their references to advertising and corporate initiative, it’s not just product innovation alone that’s important. Among the CPG companies we asked, David Wagstaff, managing director of Manchester, England-based St Pierre, rightly calls a singular focus on new items “a limited view,” affirming the importance of packaging, branding and merchandising as part of the whole process.

Read on to find out more about how CPG companies are working to anticipate the needs of shoppers, and to even receive a preview of a few forthcoming SKUs slated to hit shelves in 2023.

Note: Comments have been edited for length and clarity.

