



# **The Big Bazaar of Food**

**Yeh modern trade kya hai?**

Damodar Mall, Future Group



# Cricket...

- A. All of us grow up playing softball (tennis) cricket
- B. More people play softball cricket than hard ball (season) cricket

If you are good at A, can you a winner at B, just because both are cricket?

..... or can you win by just wearing a pair of leg pads?



- Pitch, ball, bat, bounce, turn, reflexes, training, costs, money, all are different in soft and hard ball cricket....
- Customer, her mindset, shopping syntax, assortment size, sales mix, money for you, are all different in self service, modern trade

“Big difference” is a lot beyond mere size...



# Different customer

- ✓ Aspirational, have better incomes
- ✓ Bathrooms have shower, fridges are bigger
- ✓ Less constrained by budget (half of them don't pay any cash to me!)
- ✓ She's not alone; she can absorb a lot of stimulus
- ✓ She has time; here to discover the new
- So, consumption upside is infinite....

# Different Product preferences

Grapes	Aspiring Citizen	Average Citizen
Berry Size	14-16 mm	10-14 mm
Buying Forum	<ul style="list-style-type: none"> <li>▪ Punnet Boxes</li> <li>▪ Chilled</li> <li>▪ Modern trade</li> </ul>	Loose Ambient General Trade + Modern Trade
Consumer Pays	Rs 70/kg	Rs 45/kg



**Prosperity changes preferences, new preferences need showcasing**



# Different shopping SKU's

## Low on cash mindset

- 'Save' by buying more often, smaller lots
- Consumption unit = shopping units
- The great Indian sachet pack innovation

## Easy on cash mindset

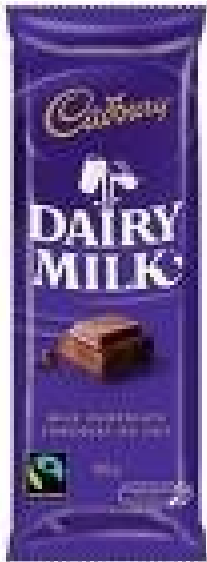
- 'Save' by buying more quantity
- Shopping unit is much bigger, very different from consumption unit
- The new multi/combi pack way

# Shopping SKU / Consumption SKU



## What we sell

- Noodles
- Sweet confectionary



## What she buys

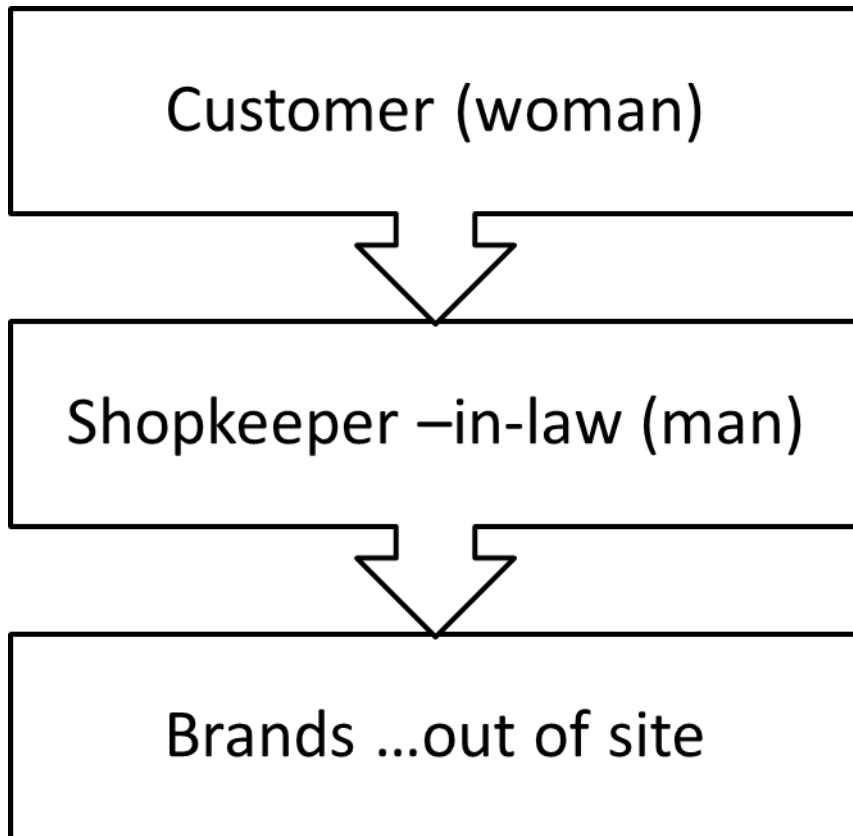
- Chinese tonight
- Handy reward, bribe...



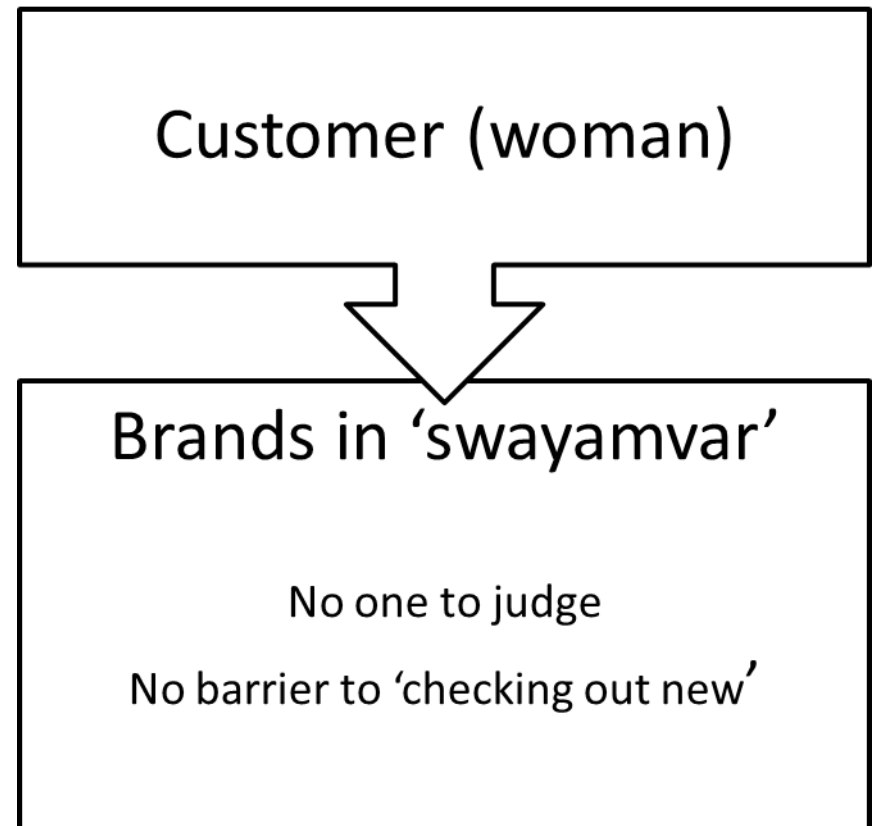


# Different shopping syntax

## OTC trade



## Self service trade



# What gets sold is different



Top Ketchups : Kissan pouch 1kg  
: Tasty Treat pouch 1kg  
: Tasty Treat bottle 1 kg  
: Maggi bottle 1 kg  
: Tops, DelMonte 1 kg

Old stalwarts, new brats, regional gems, private brands  
But all, in the largest packs going..

# What gets sold is different



Biscuits : Avg selling price in MT = 2X GT

: Cookies, creams, digestives grow at 50%+

: Even glucose growing at 15%! But diff packs

Chocolates : Share of 'imported' > 30%

Rice, beverages, noodles, namkeens.....distinct difference

"MT sales seem to be very different from GT. Many surprise brands feature in the top in MT"

# The money to be made...is different



Customer needs "A bath"

Served by	<u>Popular Soap</u>	<u>Premium Soap</u>
Topline	100	237
Margin%	100	200
Wear rate	100	150
Bottom line/bath	100	<u>711</u>

I sell ten times more Dove per footfall than GT, from the same catchment

We can replace 'Dove' here, with Basmati rice, Grapes in punnet boxes ,  
digestives or diet namkeens...



# MT is the new demand channel

- Discovery of new consumption is more likely to happen in a 10,000 sku channel (less likely in a 1800 sku channel)
- Trials in MT → habit → repeats in GT??

I'm not a retailer – a demand creator for your brands

# I am a brand guy in retail business.



Discount is my conversation starter with customer

Monthly Bachat Bazaar

White collared, salaried,  
husband/wife shopper

Wednesday Bazaar

Only women, self employed,  
items consumed in a week

Mahabachat/Sabse Saste Din

Non-users of modern trade;  
breakthrough items

Shubh Mahurat

Product as a hero; celebrating  
new arrival (movies premier)

Exchange Mela

'Extracting value form junk'  
insight



# “I am Television”

- ✓ Attention, inducement, provocation are my differentiators
- ✓ Shelf is afternoon slot, bin is prime time, promotion is salience getter
- ✓ Customer says, “Product by brand, offer by Big Bazaar”

~~The Big~~

**different,  
very different...bazaar of food**



Do your brand managers, MR managers, think MT yet?



Namaste



# She is right, she knows...



Bhaisahab, mujhe mat sikhaao..



And she can kill....

# Same fellow, different fellow...



Context determines behaviour  
Knowing me in one context may be a handicap in the other



# Emerging, but Asserting Markets

At the turn of the 20<sup>th</sup> century, U.S. was the largest emerging market. Europe was the 'developed market'.

Consumer tastes in emerging markets, with the rise in income levels, follow the patterns of the developed markets, right?

Wrong. If so, the U.S. should be eating muffins, mashed potatoes, scrambled eggs, rotting cheese...

Food, HPC, appliances, entertainment, large emerging markets may NOT follow developed market tastes.



# Asserting Markets

Large markets: Reward offerings that cater to local nuances and make them global scale.

Deep markets: Customer gets validation of her behaviour from family, community, culture.  
Room of influence available to marketers is partial.

Local nuances are large markets & shall be served