

“Give me a snack, please,” a toddler tells her working-from-home mother every two hours, on the dot. The Mumbai-based media agency executive is a human snack-dispenser to her family. Her kitchen is always stocked with items like superfoods which improve health and super tasty foods which improve one's moods and settle 'hangry' pangs. This is one pandemic story playing out in many homes all over the world. People, it seems, are hungry all the time. However, breakfast, lunch and dinner, snack breaks and boredom eating between meals in the current stay-at-home culture are a constant balancing act between what's good for health (and "immunity boosting") and what's good for the soul.

People in the food business have pinpointed a fast-growing set of consumers who like to take multiple snack breaks during the day but are 'mindful snackers'.

Foods major Mondelez has been promoting the #MindfulSnacking movement for a while. The company's part of a clutch of marketers who want to convince increasingly health-conscious consumers that indulging in snacks like chocolates, cookies, chips and cheese-filled crackers is okay to do sometimes. Mondelez describes it as an approach to eating with intention and attention. It's about being conscious of what it is you want to eat, why you're eating, and how it makes you feel. So you don't have to choose between snacking and eating right for the moment.

Now, other brands are ready to take a big bite of this trend.

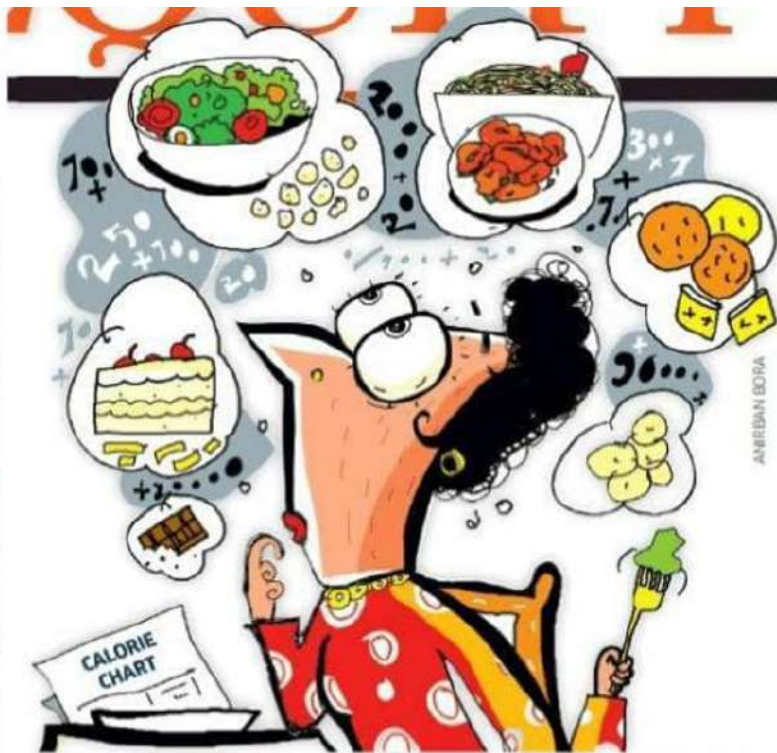
The Snackification Approach

Koshy George, chief marketing officer of homegrown FMCG company Marico, believes the 'snackification' approach is changing due to mini-meal trends. "We are witnessing that certain sets of people are eating smaller meals through the day to keep their metabolism rates high," he adds. During the lockdown, the company's brand Saffola FITTIFY that offers ready-to-eat upma and poha with superfoods like quinoa and millets witnessed a surge in demand. The company has been working with celebrity chef Kunal Kapur to create content for this consumer segment and curate products to serve their emerging needs.

Similar consumer insights are shaping marketing strategies at Bagrry's India. The company's products made with alternative staples like oats and quinoa are in great demand these days. Nut-based butters and muesli are other products which are becoming regular items in Indians' shopping baskets, shares Aditya Bagri, director of Bagrry's India.

Also, he adds, "Consumers are reading labels more often; they are closely looking at macro-nutrient parameters such as the quantum of protein and fat. They are also closely checking ingredients." The company is investing in new products with clean label ingredients. Bagrry's collaborated with Mukesh Bansal-led Cure.Fit to launch cookies made with muesli, oats and bran, a product created exclusively for the health and fitness platform.

The other key aspect of mindful snacking is portion control. Last year, the 'State of Snacking' survey by Mondelez found that snacks are increasingly being swapped for



SNACKS ON YOUR MIND?

Decoding the rise of 'mindful snacking' in the current stay-at-home culture.

By Priyanka Nair & Amit Bapna

Experts Speak

"As people across the country are staying indoors, they have changed their food consumption patterns from their normal three-meals-a-day routine to a blurred 'snackification' approach."

Koshy George, CMO, MARICO

"Increasingly Indians are worried about their personal health or that of their family. This underlying sentiment has the potential to accelerate the shift to mindful snacking."

Kanika Kalra, PARTNER, MCKINSEY & COMPANY INDIA LLP

"Consumers are reading labels more often; they are looking at macro-nutrient parameters and checking ingredients."

Aditya Bagri, DIRECTOR, BAGRRY'S INDIA

meals in India. The maker of Oreo cookies and Dairy Milk chocolate found Indians seek both indulgence and health in their snacks. A company spokesperson tells Brand Equity, "In our India portfolio, we are prioritising our promise of consumer centricity by offering portion control options and providing information on the front of the pack across our products to keep the consumers informed."

Not nuts about quinoa?

Although oats, quinoa, and the like are taking the lead in the alternative snacking world, nuts are in fashion, too. Pamela Graviet, senior marketing director, International at California Walnut Board & Commission, the walnut specialist company, tells us, "Convenient snacking options like munching on nuts has always been a part of the Indian food culture." The organisation's actively working with chefs, healthcare professionals and influencers to develop localised content to demonstrate the versatility of walnuts.

Nut-based snacks are not only nutritious but also have longer shelf life which makes them extra appealing in a post-pandemic world. Food startup Snackible saw a significant rise in demand for its nut-based snacks during the lockdown months. In fact, founder Aditya Sanghavi's direct interactions with customers have sparked new ideas. The company's expanding its product portfolio to include more nutty creations.

Mayank Gupta, founder of To Be Honest,

BE SNAPSHOT

Mindful snacking is an approach to eating with intention and attention. The movement is gaining momentum due to the pandemic-induced stay-at-home culture. People are snacking more than ever.

Mindful snackers read food labels more often, and are conscious of ingredients and their quality, prompting smaller brands and startups to launch new products and invest in clean food labels.

Demand for superfoods from nuts to quinoa and dairy alternatives like almond milk and oat milk is rising.

Brands are collaborating to create exclusive products to cater to consumers' emerging food needs - health-first, immunity-boosting ingredients, less compromise on taste.

Food brands, in general, have been particularly active during the pandemic as in-home consumption skyrocketed. The key is to make the consumer's choices guilt-free.

a healthy snacks startup that makes vegetable chips, sees current snack-buying trends through a versatility lens. "A consumer is more likely to pick a snack if it can be consumed at different occasions," he says. "For example, our products are used as mid-meal snacks, replacement for papad in the main meal, salad dressing and late-night munching."

Mindful snackers are also seeking alternative fixes for their sweet-tooth cravings. Treats that suit their new lifestyle changes. During the early lockdown days, another food startup, Urban Platter, saw a surge in orders for alternative dairy and baking essentials like almond milk and flour. So devouring a sinful cake doesn't have to feel like a sin anymore. The company also launched an oat milk range called OatWOW. Founder Chirag Kenia tells BE more dairy alternatives are in the product pipeline.

The Taste Test

According to a consumer sentiment survey conducted by McKinsey India, over 85% of Indians are worried about their personal health or that of their family. "This underlying sentiment has the potential to accelerate the shift to mindful snacking," says Kanika Kalra, partner, McKinsey & Company India LLP. "If you look at the situation, you have a captive audience - what you need to drive is relevance," adds Kalra. But never forget taste trumps all.

Suhaib Sameer, former founder-CEO at RP-Sanjiv Goenka Group, FMCG business, (makers of Too Yumm), believes companies that want a larger share of the snacks bowl have to ensure taste reigns. "A healthy snack which is not comparable in taste with other snacking choices would still struggle to build traction," says Sameer, who joined BharatPe, a financial technology firm, as group-president, recently. It is also a good time to launch healthier variants under existing brands, say experts.

Dheeraj Sinha, MD - India and chief strategy officer - South Asia, Leo Burnett, says, "One of the biggest discoveries of the current pandemic is your immunity is your only weapon." Now it is up to brands to figure out to what extent can they push the boundaries in keeping the consumer guilt-free.

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Marico has gained market share on 90% plus portfolio: Saugata Gupta, MD & CEO

Saugata Gupta, Managing Director and CEO, Marico Ltd, talks about Q1FY21 results, VAHO segment, what is his business outlook for future, market share gain and price cut exercise in the hair oil segment among others during an interview with Swati Khandelwal, Zee Business.



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Check Edited Excerpts

Saugata Gupta, Managing Director and CEO, Marico Ltd, talks about Q1FY21 results, VAHO segment, what is his business outlook for future, market share gain and price cut exercise in the hair oil segment among others during an interview with Swati Khandelwal, Zee Business. **Edited Excerpts:**

Q: Marico has posted a good set of numbers in Q1FY2. Despite challenges, the edible oil segment has done well but the concern is the VAHO segment where growth was slow. By when can we expect a recovery in that segment?

A: Obviously in VAHO, we couldn't sell much in April. Its sale started in the last week of April. If you have a look at our last year's annual average monthly run rate then VAHO was at 94%. There was slight growth in VAHO in May and June and I believe that there is a huge focus at the bottom of the pyramid segment in VAHO and there were a market shares gains. Nielson's trend shows that VAHO's off tick has reached the pre-COVID levels in June. I hope that the quarter-to-quarter growth will be back gradually in the third and fourth quarter.

Q: How was the trend in May and June and how your performance improved in July? What is your outlook for the near future?

A: In May and June, we delivered 3% growth. We attained some growth in July as well. But this quarter is a bit different because quarter one was predictable as COVID situation was concentrated in big cities but by now it has spread in a lot of hinterlands due to which localized lockdown is creating disruptions. Hopefully, if things don't deteriorate further then we can achieve growth in this quarter.

Q: You have said that there was a market share gain in many products and segments. Can you let us know about how much growth was seen and in which products?

A: 90% plus portfolio has gained the market share. In discretionary that include personal care and premium personal care, then it is difficult to take the trends of Nielson in it because a lot of outlets were closed. So 90% of the daily consumption items whether it is coconut oil, hair oil, Saffola and foods, we have gained the market share in each one of these, which is 90% of our portfolio.

Q: You have taken price cuts in the hair oil. Can you tell us the level of price cut and was it because of lower raw material cost?

A: Some price cuts were taken in the fourth quarter. There was a price cut in Parachute because the input cost is a bit soft at present and we have passed it in form of price offs and 5% to 6% price cuts in the form of promotions, we are running on Parachute.

Q: What is your outlook on the margins and what kind of margins the company will maintain in the coming quarter?

A: Ad spends were quite low this time because we didn't advertise in April. But in May and June, we have reached 80% to 90% of the normal. So, full-year Ad spends compared to the last year will be around 100 to 150 basis points lower because we will not invest in discretionary categories. Besides, a lot of cost transformation exercises has started but we will continue to pass a value to the consumers, this is why our balance operating margin will be 20% plus in the third quarter.