

## Giving the Indian working woman, her due.



“All macroeconomic sources indicate that the working woman represents a growing and lucrative opportunity for marketers. The woman continues to be the main decision maker on matters concerning the household whether working or not”. So concluded, the Hansa Working Woman Speak, a syndicated study of June 2006, on working woman conducted by the Hansa Research Group.

Is it any surprise then, that there is a veritable queue for packaged & processed food marketers to tap into this market? Consider some of the facts

- ✿ Working women account for 17% of all Indian women
- ✿ Working women constitute 31% of the Indian workforce
- ✿ 60% of all Metro homes have working women
- ✿ Working Women constitute 37% of the IT workforce
- ✿ 60% of Urban women live in nuclear families
- ✿ 80% of Urban Working women work 6 days a week
- ✿ 90% of Urban working women are in regular full time jobs
- ✿ Only 21% of Urban working women get domestic help in cooking

And yet, for all the hype & hoopla over the packaged food & groceries market, traditional Indian foods remain an area under leveraged & under invested in by food & FMCG majors. How did we come to that conclusion? For answers, let's look at some further details (**Table 1**) within the same research piece to understand what makes up the basket of products which have made penetration inroads into this growing working woman population homes.

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**Table 1**

Source: Hansa Working Woman’s study June 2006

6 Metros + Mini Metros (Sample: 2300 SEC A women)	Penetration Rates %	
	Working (1400)	Non-Working (900)
Packaged snacks	72	71
Instant noodles	64	63
Packaged juices	47	39
Branded soup	35	33
Breakfast cereals	25	23
Chutneys and Purees	21	15
Ready to eat meals	20	18
Cooking pastes	15	15
Pasta	10	12

With the notable exception of packaged snacks, which include biscuits & chips of the world, & hopefully some Haldiram namkeens, even with SEC A women, considered the top of the market’s pile, look at where Indian products like Chutney’s, Purees, RTE Meals & Cooking Pastes lie in comparison with Instant Noodles, Branded Soups & Juices. Surprise, surprise, even breakfast cereals score ahead of Indian products like chutneys & pastes.

Does that make sense? It didn’t till we looked at the brand portfolio of the food majors in India & attempted to find “authentic Indian products”. With the notable exception of Dabur’s Homemade & MTR, none of the blue blooded food companies seem to have any serious interest in Indian Foods. Even Levers, long considered an Indian company has hardly any serious products of Indian origin. Whatever happened to Annapurna, which we thought could go the full distance? Levers’ latest innovations are from Knorr, selling Chinese cuisine. As for Amul, all its “taste of India” claims notwithstanding, hasn’t gone beyond a pizza base & buttermilk. Only Aashirwad from ITC is lately building a category presence with the Aashirwad range all the way from plain staples & spices through to RTE.

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To understand this better, we took a quick snapshot (**Table 2**) of the Indian food products & looked at the companies involved product lines considered traditional Indian. With the exception of ITC with Aashirwad & Kitchen's of India, we couldn't find any of the big boys with a range worthy of a mention.

**Table 2**

Category / Brand	ITC	MTR	Param-para	Priya/ Ruchi	Capital Foods	Kohinoor	Mother's Recipe	Everest / MDH
RTE								
RTC / Paste								
Instant Mix								
Pickles								
Masalas								
Plain Spices								

Our view of this particular stack up of competitors in the market is that, traditional Indian categories remain under- developed from a scale & market penetration point of view.

Of course the big company marketing managers armed with their focus groups reports would argue that the Indian consumer is loathe trying out products that are close to her own origins & consequent value proposition establishment is difficult. Worth considering as a valid argument, except when you think that pretty much the opposite could be said for breakfast cereals, which struggle despite 15 years of effort in market creation. Now consider the food service companies like Pizza Hut & McDonald's largely promoting & selling their Indian variants like Paneer Pizza & Mc Aloo Tikki Burger. Why's that?

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A more reasonable answer, we think, lies in the market creation & communication effort put in by marketers. Otherwise, there is no conceivable reason, why any Indian mother would forever consider serving noodles & pasta in preference to Rava Idli & Poha or Gobi Manchurian in preference to Paneer Mutter.

Possibly, the variety of cuisines required developing a pan India distribution & brand is so complex, that most Indian brand managers fight shy of making the effort of understanding regional cuisines & developing products to meet the varied taste requirements. This is where regional smaller companies who are nimbler & closer to market, get their act right. Looking at the food service companies like Pizza Hut & McDonald's again, you realize that their India operations are really run by their India master franchisee's who have their nose close to the ground & not run by brand managers who can't connect with their audience.

It is our estimate that out of the 4000+ crore packaged foods & groceries market, nearly 2500+ crore lie in products of Indian origin & yet is dominated by small & regional Indian companies, who often suffer from inability to grow & build national brands & corresponding distribution muscle.

Further these regional companies fight shy of advertising, are unable to bring serious research to bear on product development & are unable to attract serious management talent in Sales, Marketing & Product Development. On top, being entrepreneur driven, most of them are unable to bring a pan-Indian cuisine understanding to build a pan Indian product range.

For a market as large as India with such a long cuisine history, surely this is an opportunity that can't be missed. Especially as urban populations criss-cross the county & as India develops a cosmopolitan Pan-Indian food culture. Companies & brands that see this earlier will reap the benefits earlier, just as spending power of the working woman takes off vertically in the coming years.

**Time we think, to give the Indian working woman her rightful due.**