







# Conscious Consumption in a Post Covid-19 Normal: **INDIA**

Commissioned By:



# CONTENT:

-  About Ai Palette
-  Approach, Methodology and Sources
-  Shift in Drivers and Motivations
-  Growing and Declining Categories
-  Patterns/Opportunities to Tap into for F&B
-  Regional Analysis
-  Key Takeaways

# A trend spotting platform powered by comprehensive prediction engine & cognitive AI



Using the Power of AI, brands can **predict and identify trends** as they emerge locally

# Ai Palette Approach



## Focus on Food and Beverage

Patented algorithm designed for Food and Beverage products to help you understand consumer motivations & fears at both the category and the Trend level



## Customized based on Market

Analyze organic conversations online in the focus Market so you can monitor how trends are evolving in a market. Popular data sources are used. This data helps analyze near real time trends despite circuit breaker and social distancing measures



## Language Agnostic

Understand human language as it is spoken. Language Agnostic, understands non-English languages as well.

# Data Sources



Data Points

INDIA: 217.1 Mn+



Time Period

January 2019 to  
August 2020

## Data Sources

Local publicly available data sources in India

Social Media



Search Engine



Google

Retail Products Data



amazon.in Flipkart



Data Point: Engagement on social media through posts, likes, comments and re-shares and Search queries

# Ai Palette Methodology

## 01 Identify

Identify relevant local public data sources, including **social media, search engine, ecommerce and QSRs**

## 02 Collect

Collect the data from the data sources, structure & clean the big data

## 03 Analyse

Apply Language Agnostic proprietary AI algorithm to uncover consumer needs and new shifts in consumer preferences as the country emerges from COVID-19

## 04 Output

Present the output  
Analyse the **behaviors that emerged during Covid-19 and have stuck with the consumers**

# Shift in Drivers and Motivations



# Convenience is important for consumers as they seek homemade, natural and diet-specific meals in absence of usual domestic help

Consumption Drivers based on Consumer Discussion January 2020 – August 2020

January 2020 – April 2020



Health 31.09%



Taste 29.76%



Packaging 12.39%



Distribution 10.60%



Price 4.48%

As the Covid-19 spread continues



Taste 22.14%



Health 21.64%



Ease of Preparation 14.34%



Natural 7.48%



Diet 6.87%

*With over six months of virus spread in the country, tired consumers who are seeking normalcy in their lives, are slowly opting for 'Taste over Health' now*

- As the Indian consumers slowly get used to the 'new normal', emphasis on Taste and Health remains, but utilitarian needs like packaging and distribution have taken a back seat
- Consumers are now focusing more on **convenience** and **natural, diet-specific foods**
  - In absence of house help, **consumers want convenience** in preparing meals at home that are also **organic and natural**
  - Consumers are also trying more of **vegan and vegetarian** diets

During the peak of Covid-19



# Taste is the top priority for consumers as they seek solace in familiar comfort food

#1

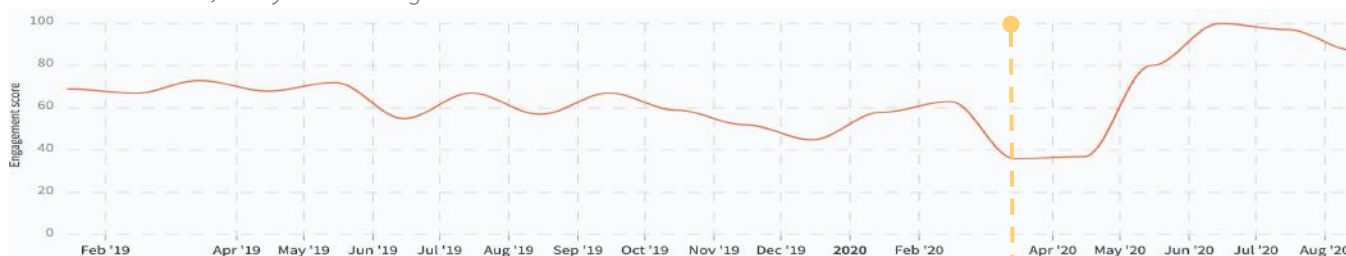
Consumption  
DriverTaste  
22.14%

48.1 Mn

Consumer Data Points

- During Mar-Apr 2020, consumers shifted their focus to Health and the preference for taste was low
- However, as the virus continues to spread and consumers in various parts of India continue to live under restrictions for more than six months now, they are turning to *delicious* and *tasty* foods in their search for normalcy

HEALTH: Trend over 1 January 2019 to 31 August 2020



March 2020 when  
pandemic hit the country

Consumer interest in Taste went down during Mar-Apr'20 when the pandemic hit the country. However, in May'20, it reached an all time high and continues to remain high.

# Consumers are interested in foods that help them fight the virus and enhance body's natural defense system

#2

Consumption  
Driver

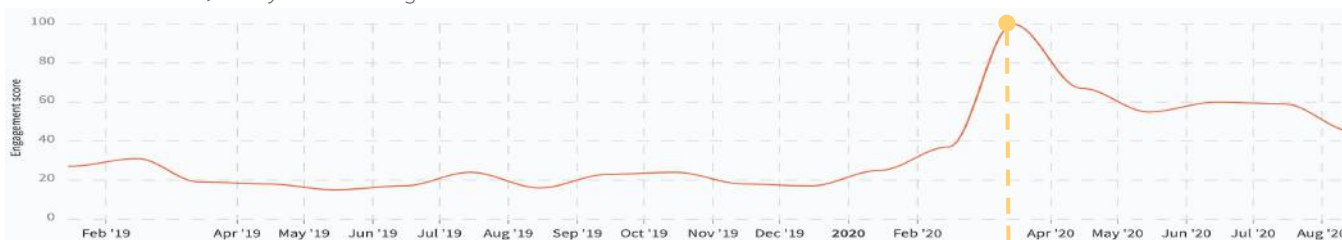
**Health**  
**21.64%**

**47.0 Mn**

Consumer Data Points

- Health is one of the main need driving the consumption of food among Indian consumers
  - Consumers are opting for foods that are *healthy* (3.89%), and help fight the *coronavirus* (3.22%)
  - Foods rich in *protein*, suitable for those focused on *diet and fitness*, as well as those helpful in boosting *immunity*

HEALTH: Trend over 1 January 2019 to 31 August 2020



March 2020 when  
pandemic hit the region

Consumer interest in Health reached an all time high in March 2020, and it continues to be high this year

# High surge in launch of new products that bear immune-system boosting claims during the pandemic



Health  
21.64%

## Turmeric, Tulsi and Ginger Milk Immunity Booster Range



Amul, a leading dairy company in India, launched 'Haldi Doodh' or **turmeric milk** in Apr'20, which was followed by the launch of '**Ginger Doodh**' and '**Tulsi Doodh**' in Jun'20. In Aug'20, the company further launched '**Haldi Ice Cream**'. All the products are aimed at **boosting immunity**.

## Herb and Seeds Bread Immunity Booster Ingredients



In May 2020, India-based Bonn Group launched a herb and seed bread with **turmeric, black pepper, oregano, sunflower seeds and pumpkin seeds** highlighting **immune boosting and antioxidant** properties of these ingredients

## Probiotic Curd Bifidobacterium-12 (BB-12) for Digestive Health and Immunity



In late Aug'20, Milky Mist, an India-based dairy company, announced the launch of **probiotic curd with Lactis (BB-12)**, claiming **immune boosting and digestive health** benefits

# Fine dine restaurants and QSRs alike pivoted to delivery of DIY meal kits and gourmet grocery to offer convenience amid lack of house help

#3 Consumption Driver based on Consumer Discussions from 1 January 2019 to 31 August 2020



**Ease of Preparation**  
**14.34%**

**31.1 Mn**  
Consumer Data Points

- The Indian consumers in absence of their daily domestic helpers are increasingly looking for *simple* recipes that can be easily prepared at *home*
- Also, there is a preference for *homemade* as consumers continue to avoid eating out
  - Concept of “cloud kitchens” delivering frozen dishes and DIY kits to allow consumers have an intimate meal experience at home picked up during the pandemic



## DIY Cake, Pizza, Pasta, Kadhai Paneer Kits

Fine dine restaurants from hotels like **Novotel**, various **bakeries** and **pizzerias** have launched **DIY meal kits** and **gourmet grocery** for delivery to cater to consumer need for convenience



## Recipes with KFC Chicken

In May 2020, when KFC reopened for delivery, it started **#KFCHomeKitchen** campaign to tap into the rising trend for home cooking

# Fast food kits to cater to consumer cravings for their favourite street foods

#3 Consumption Driver based on Consumer Discussions from 1 January 2019 to 31 August 2020

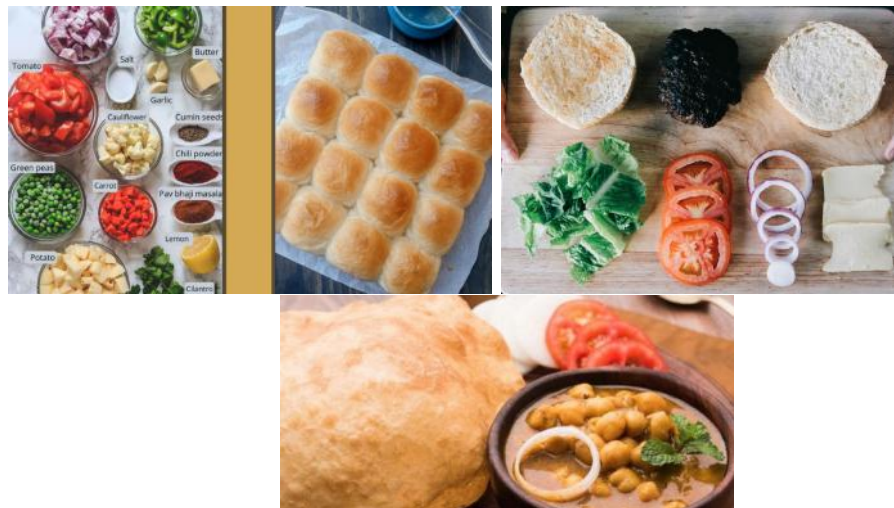


**Ease of Preparation**  
**14.34%**

**31.1 Mn**  
Consumer Data Points



- Various restaurants also introduced popular street-food kits, like for pao bhaji and chole bhatura, chaat
- Kits with recipes for biryani and burger have also been introduced

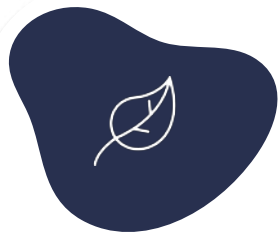


## DIY Pao Bhaji Burger and Chole Bhature Kit

Restaurant the Veg Boxxx launched a whole range of DIY meal kits, including street foods like pao-bhaji, chaat and chole bhatura to more meal options like burger, biryanis, thai curry

# Consumer demand for organic and natural foods is high driven by focus on overall fitness and holistic health

#4 Consumption Driver based on Consumer Discussions from 1 January 2019 to 31 August 2020



**Natural**  
7.48%

**16.2 Mn**  
Consumer Data Points

- With rising consumer focus on overall fitness and health, the demand for foods that are *organic, natural* and come with claims like *pure, real* and *100% Natural* is growing



bagpathfoods • Follow  
bagpathfoods 100% Pure & Natural GHEE  
Delivering Across India  
#ghee #gheatics  
#gheebutter #essentials #pure #ghee



renanow • Follow  
Mumbai, Maharashtra  
renanow I love natural living food! 🌱  
Straight from nature's garden... raw and naturally delicious loaded with nutrients 🌿 Why would anyone eat dead cooked food? 🥗 @rawvegansalad, #rawfoods, #rawcommunity, #naturalist, #rawveganchef, #rawveganmealprep, #dietcoach, #agelessbody, #lifestylechange, #crueltyfreeeating, #mindfulife, #raw, #plantbased, #rawvegan, #vegan, #vegansofinstagram, #rawforlife, #veganbodybuilding, #veganfood, #veganfoodie, #veganshare, #veganlunch, #healthyteating, #health, #healthyfood, #healthylifestyle, #healthychoices, #healthyiving, #meatfree, #healthymeals

## Pure, Raw and Natural Foods

**Conversations about natural foods by both sellers and consumers**

From 100% pure and natural ghee available for delivery by sellers to consumers talking about raw and natural foods for meals, products and conversations can be increasingly seen on social media channels.



# Consumers exploring vegan, vegetarian and keto diets with more product offering by retail brands

#5 Consumption Driver based on Consumer Discussions from 1 January 2019 to 31 August 2020



**Diet**  
6.87%

14.9 Mn  
Consumer Data Points



- Indian consumers are turning to foods and beverages that are *vegan, vegetarian, keto-friendly* as they become more conscious of what they consume in pursuit of a healthy lifestyle



## Vegan Yogurt

### Coconut milk yogurt in mango flavour

After launching coconut milk yogurt in Jun'20, Epigamia recently launched a mango variant of it catering to the consumer need for a vegan and healthy diet



## Keto Matthi

### Low-carb indianised snack

Popular Indian snacks like Matthi are now available in keto-friendly format to cater to consumer need for diet along with local taste

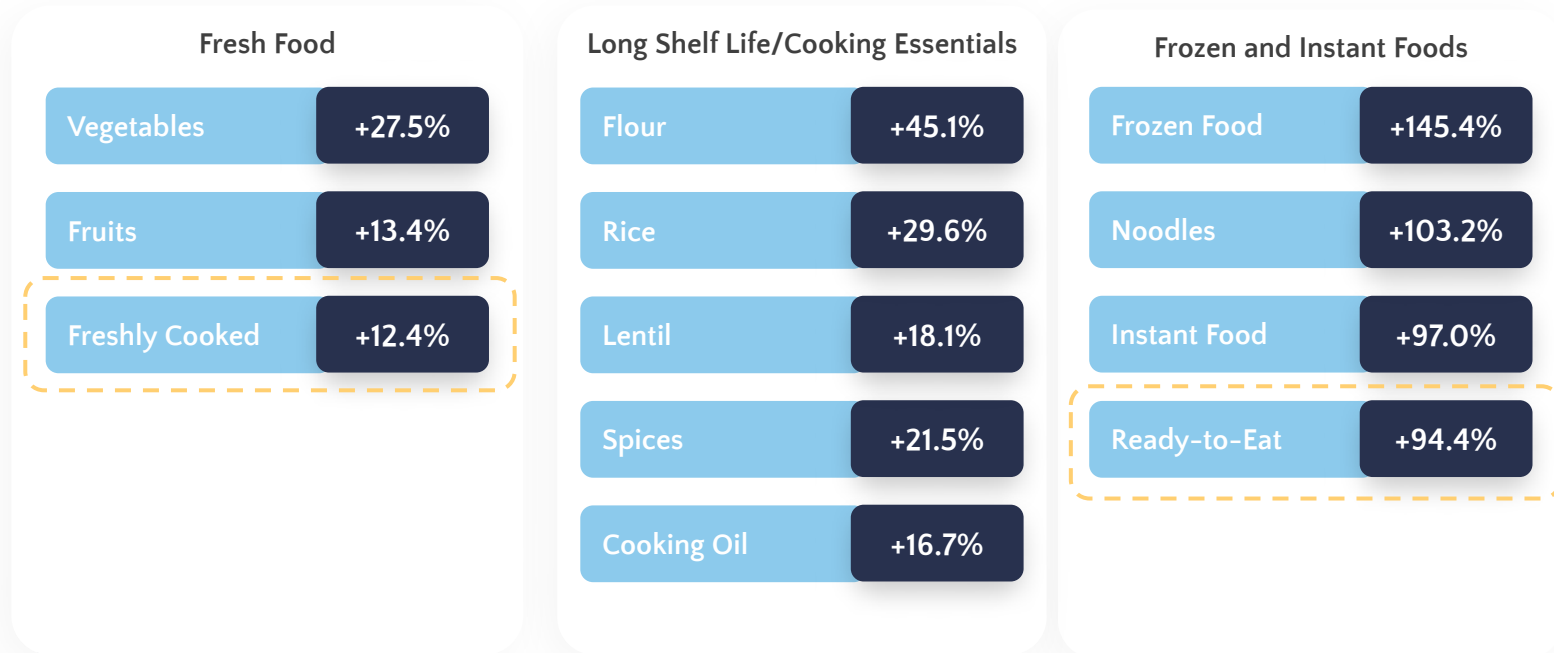


# Growing and Declining Food and Beverage Categories



# Fresh and dry cooking essentials as well as frozen and instant foods continue to grow driven by need for home cooking and convenience

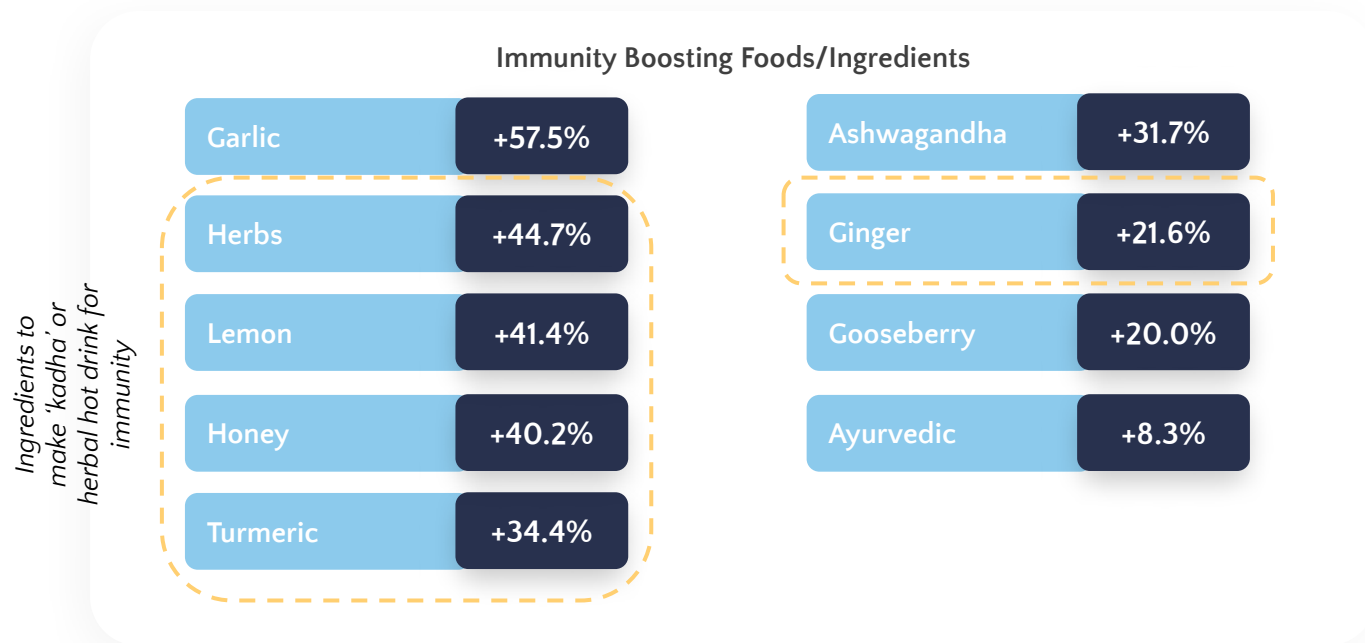
Fastest Growing/Declining Food Items and Beverages Categories (Jan-Aug 2020 vs Jan-Aug 2019)



Base: 217.1 Mn consumer data points

# Consumers relying on natural and ayurvedic remedies for boosting their immunity

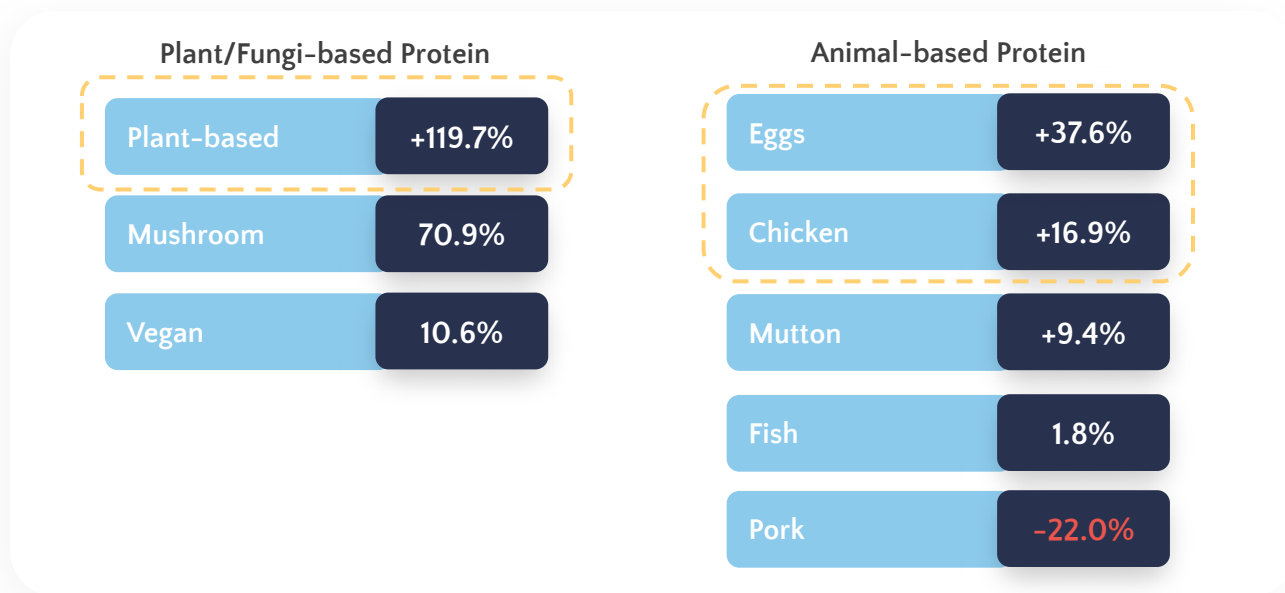
Fastest Growing/Declining Food Items and Beverages Categories (Jan-Aug 2020 vs Jan-Aug 2019)



Base: 217.1 Mn consumer data points

# High consumer interest in plant-based options driven by focus on vegan/vegetarian diets; pork impacted by supply chain disruptions

Fastest Growing/Declining Food Items and Beverages Categories (Jan-Aug 2020 vs Jan-Aug 2019)



Base: 217.1 Mn consumer data points

# Interest in snacking continues; Milk also growing as consumers consider it to be a nutrition essential

Fastest Growing/Declining Food Items and Beverages Categories (Jan-Aug 2020 vs Jan-Aug 2019)

## Bakery and Snacks

Popcorn	+80.7%
Crackers	+76.5%
Cake	+59.0%
Chips	+58.3%
Biscuits	+53.3%

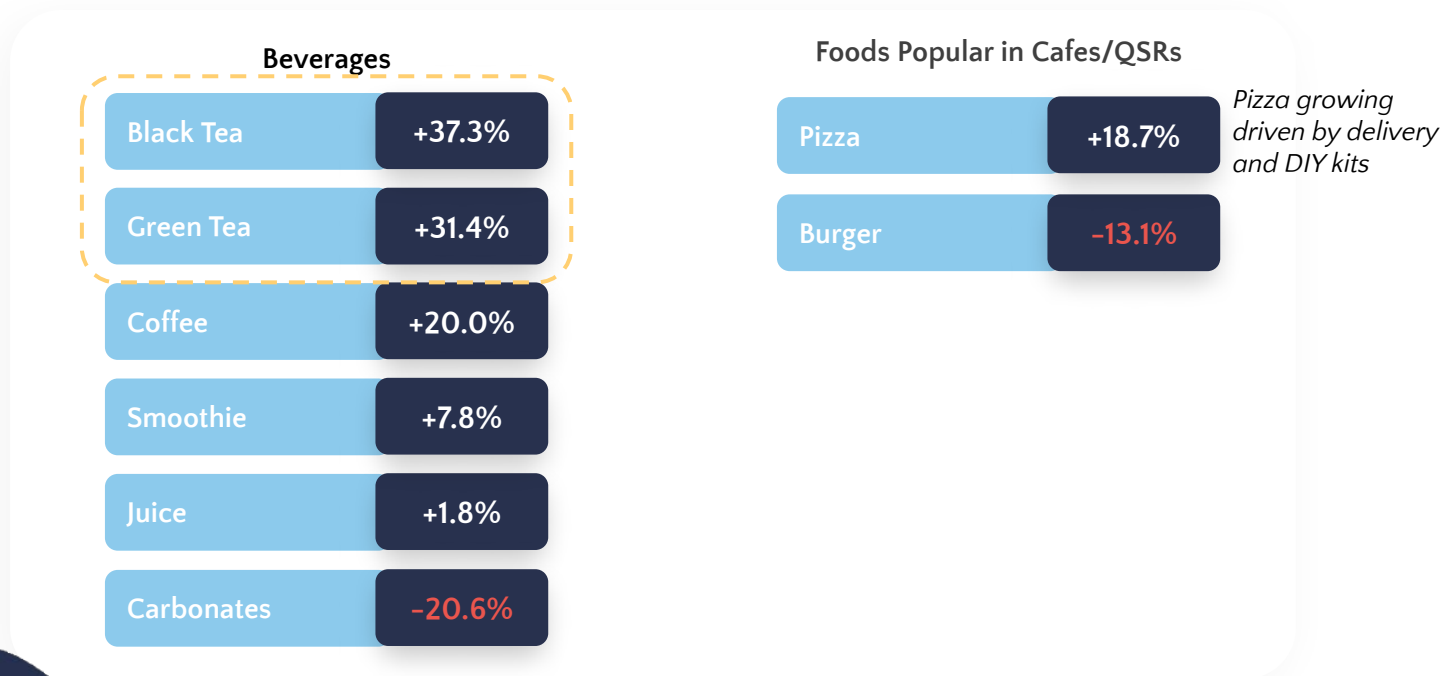
## Dairy

Paneer/Cottage Cheese	+47.4%
Milk	+31.4%
Probiotic	+9.1%
Ice Cream	+2.4%
Yoghurt	-21.8%

Base: 217.1 Mn consumer data points

# Due to reduced outdoor activity in summer and closing down of eateries, carbonates and burgers registered a decline

Fastest Growing/Declining Food Items and Beverages Categories (Jan-Aug 2020 vs Jan-Aug 2019)



Base: 217.1 Mn consumer data points

# Patterns and Opportunities to Tap into in the New Normal



# Surge in Ready-to-Cook and Ready-to-Consume products driven by at-home consumption

- With restaurant services still restricted to takeaway in multiple parts of the country and the fear of rising number of cases, led to an increase in consumption as well as availability of ready to cook/heat/consume F&B options.

READY TO EAT: Trend over 1 January 2019 to 31 August 2020

Growth in Jan-Aug'20 vs Jan-Aug'19

Ready-to-Eat

+94.4%



## Ready to Cook Marinated Meat by Liscious



Liscious, an India-based online meat shop, expanded its marinated meat box range to cater to need for ready-to-cook/eat

## Expansion in Ready to Cook/Heat Range by idFresh



ID Fresh, a Bangalore-based food products company, introduced organic and natural range of ready-to-cook/heat food items to address the consumer demand for convenience



# Food startups and QSRs tapping into vegan products after launching specific vegetarian products in the India market

- Consumers are increasingly exploring vegetarianism and veganism driven by growing inclination towards conscious eating habits
- With a majority of international **QSR chains already offering vegetarian variants of their products only in India**, to further meet the growing consumer interest in veganism, both local and international players are introducing new vegan variants
  - In May 2020, **Starbucks** introduced **Vegan Cold Brew**, a slowly steeped cold coffee brew made with the essence of soy
  - India-based startup **EVO Foods** announced that it will be launching **plant-based egg alternatives** in October 2020. **Goodmilk** also expanded its range of dairy alternatives
  - In Jul'20, **ADM** announced a partnership with **Imagine Meats**, an India-based plant

## Starbucks' Vegan Cold Brew, EVO Foods' Plant-based Egg Alternative and Dairy Replacement Products from Goodmilk



ation in India

## Meat Alternatives Specific to India



ADM and Imagine Meats have announced partnership to develop plant-based products that will specifically cater to Indian recipes and taste



# Consumer interest in probiotic food and drinks that improve gut microbiota and thus support immune system has reached all time high this year

- Consumers are increasingly seeking probiotic products that can improve their gut health, improve the absorption of nutrients and thus enhance the immunity

Growth in Jan-Aug'20 vs Jan-Aug'19

Immunity

**+106.8%**

Aids Digestion

**+59.7%**

Probiotic

**+9.1%**

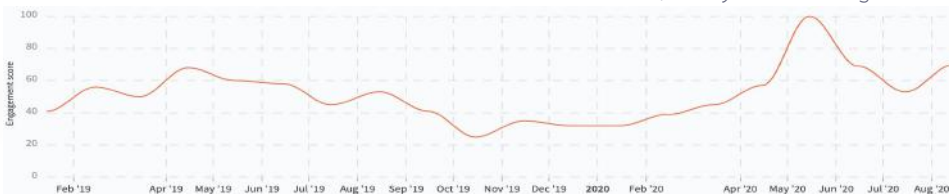
IMMUNITY: Trend over 1 January 2019 to 31 August 2020



AIDS DIGESTION: Trend over 1 January 2019 to 31 August 2020



PROBIOTIC: Trend over 1 January 2019 to 31 August 2020



# Food innovators and influencers promoting probiotics for gut health and immunity driven by rise in consumer awareness and interest

## Mountain Bee - Monthly Kombucha Subscription



Mountain Bee, an India-based Kombucha manufacturing company, saw a **rise in subscription rate** with consumers interested in Kombucha because of its health benefits and looking for alternatives to soft drinks to improve their gut health and enhance immunity.

## Homemade Probiotics - Social Media Influencer Recipe



Influencers on social media promoted **easy recipes to improve gut health and immunity** at home driven by increased consumer interest.

A wide-angle photograph of the Taj Mahal in Agra, India, taken from a low angle across the reflecting pool. The white marble mausoleum is the central focus, flanked by two tall, slender minarets. The architecture features intricate carvings and a large central dome. In the foreground, the calm water of the reflecting pool mirrors the building. A series of tall, thin, dark green cypresses line the walkways on either side of the pool. Several people are visible walking along the paths. The sky is a clear, pale blue. The text "Regional Analysis" is superimposed in a large, white, sans-serif font across the middle of the image.

# Regional Analysis

# Across regions shift in preferences to homemade, natural and innovative F&B options

	North (Delhi)	East (West Bengal)	West (Maharashtra)	South (Karnataka, Tamil Nadu, Telangana)
Consumption Drivers based on Consumer Discussion January 2020 - August 2020	<ul style="list-style-type: none"> <li>Health 24.46%</li> <li>Taste 18.35</li> <li>Ease of Preparation 12.64%</li> <li>Natural 7.81%</li> <li>New and Innovative 7.64%</li> </ul>	<ul style="list-style-type: none"> <li>Taste 23.07%</li> <li>Health 19.52%</li> <li>Ease of Preparation 16.51%</li> <li>Natural 7.20%</li> <li>New and Innovative 5.80%</li> </ul>	<ul style="list-style-type: none"> <li>Taste 21.84%</li> <li>Health 20.84%</li> <li>Ease of Preparation 14.86%</li> <li>Natural 6.84%</li> <li>New and Innovative 6.13%</li> </ul>	<ul style="list-style-type: none"> <li>Health 21.77%</li> <li>Taste 19.65%</li> <li>Ease of Preparation 13.39%</li> <li>Natural 9.26%</li> <li>Diet 4.50%</li> </ul>
Consumption Drivers based on Consumer Discussion January 2020 - April 2020	<ul style="list-style-type: none"> <li>Health 32.93%</li> <li>Taste 22.92%</li> <li>Packaging 12.93%</li> <li>Distribution 10.66%</li> <li>Price 7.07%</li> </ul>	<ul style="list-style-type: none"> <li>Taste 30.51%</li> <li>Health 29.39%</li> <li>Packaging 11.48%</li> <li>Distribution 11.18%</li> <li>Safety 3.39%</li> </ul>	<ul style="list-style-type: none"> <li>Health 30.19%</li> <li>Taste 27.30%</li> <li>Packaging 13.61%</li> <li>Distribution 10.78%</li> <li>Price 6.31%</li> </ul>	<ul style="list-style-type: none"> <li>Health 30.12%</li> <li>Taste 23.39%</li> <li>Packaging 15.12%</li> <li>Distribution 11.70%</li> <li>Price 7.22%</li> </ul>

Base: 217.1 Mn consumer data points



# Preference for Natural

Across regions, preference for Natural reached an all time high in 2020,

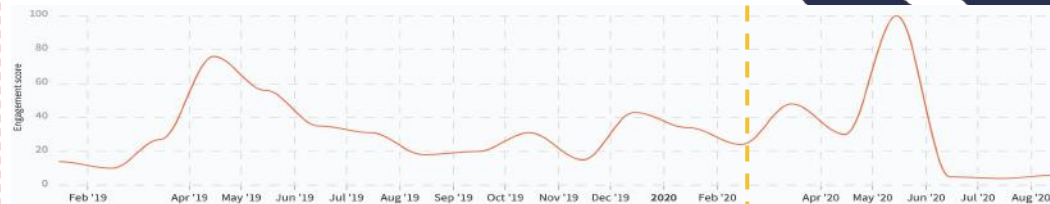
In **West and South**, the preference for Natural and Organic foods was more at during the **beginning of the year** as the first cases of the **pandemic emerged in these regions** and consumers turned to natural foods for health and immunity.

In North and East, however, demand for natural F&B surged during May'20, as the pandemic spread across the country.

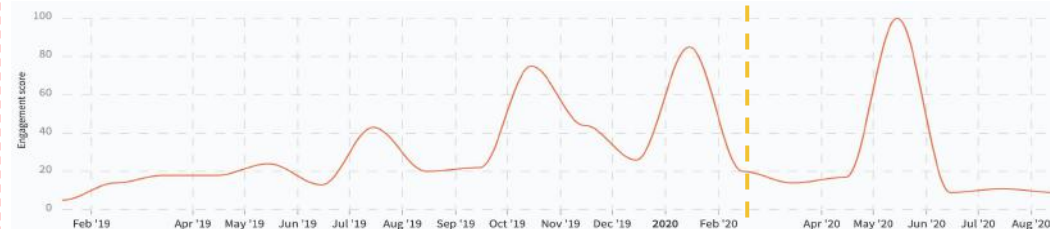
Base: 217.1 Mn consumer data points

NATURAL: Trend over 1 January 2019 to 31 August 2020

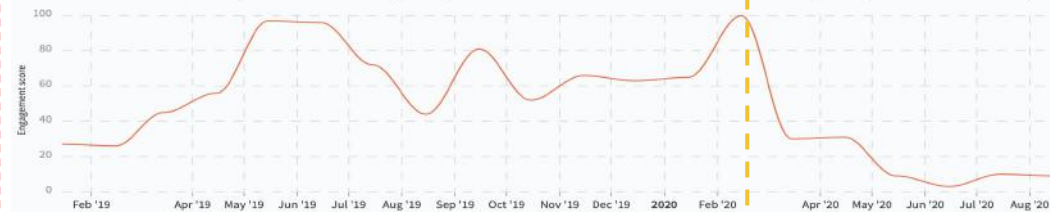
North



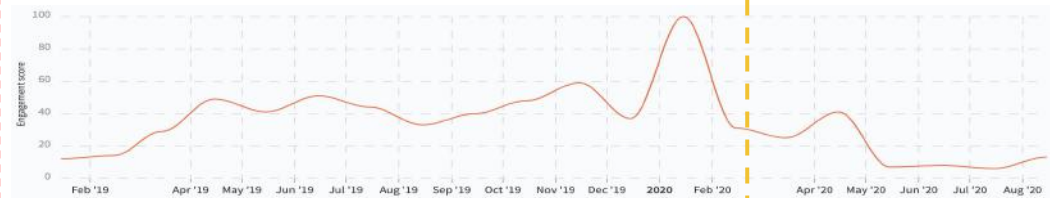
East



West



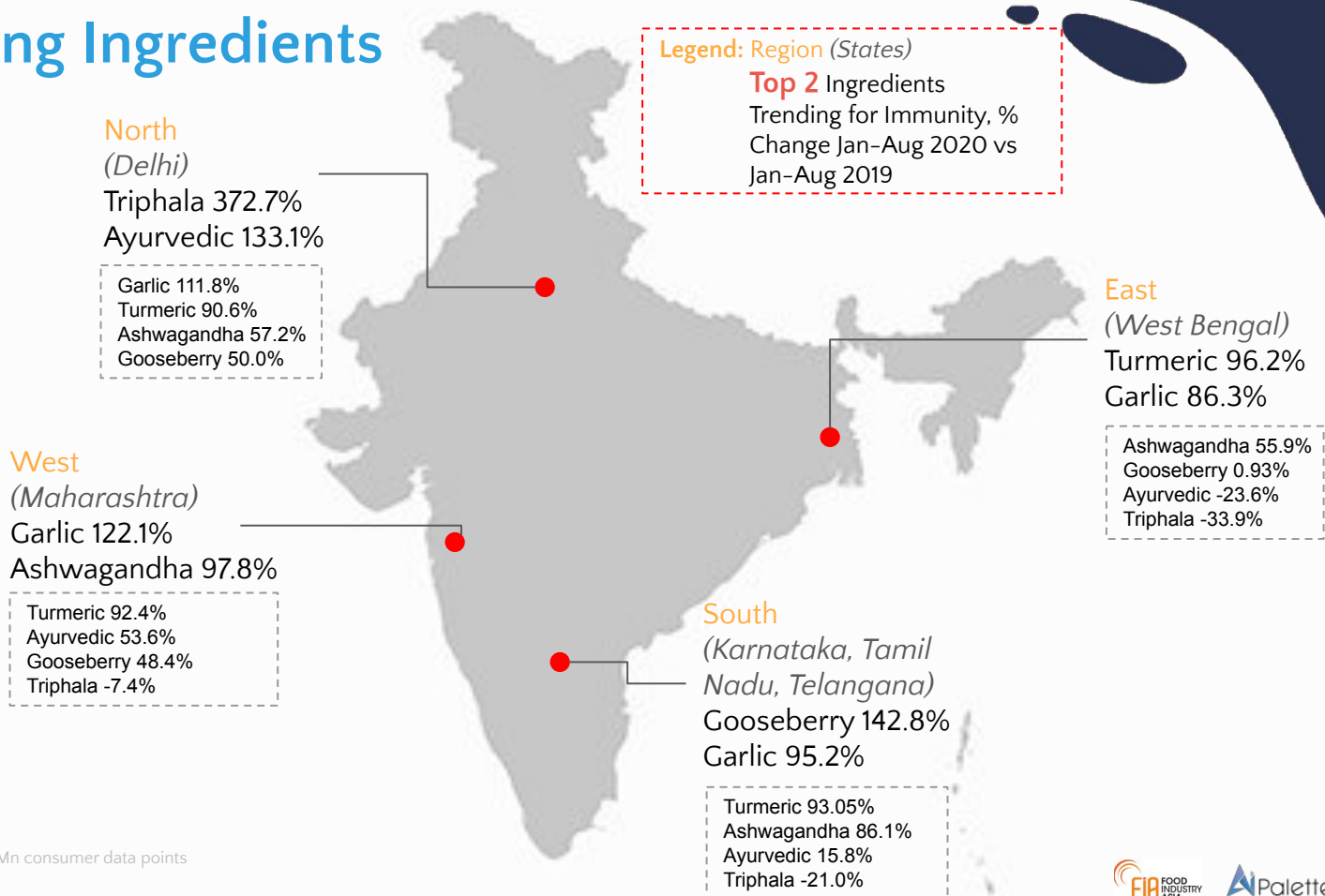
South



# Immunity-Boosting Ingredients

While natural and ayurvedic remedies are trending for immunity across regions, consumers in the **North and West** are more inclined towards **Ayurvedic** medicines like Triphala and Ashwagandha

Consumers in the **East and South** relying more on **natural** ingredients like Turmeric, Gooseberry and Garlic



Base: 217.1 Mn consumer data points

A top-down view of various spices and herbs arranged on a light-colored wooden surface. On the left, a small wooden bowl contains a whole head of garlic, a green chili pepper, a red chili pepper, and pieces of ginger. Scattered around the bowl are several piles of spices: dark fennel seeds, light brown mustard seeds, dark peppercorns, and various ground powders in shades of yellow, orange, and red. A sprig of fresh cilantro is on the right, and a bay leaf is at the bottom center.

# Key Takeaways

# Strong and continued interest in immunity along with rise in need for convenient, natural, diet-specific and probiotic options

Patterns/Themes that emerged during Covid-19 and have stuck with consumers



Convenience for  
At Home  
Cooking and  
Consumption



Natural Foods and  
Ayurveda for  
Immunity and  
Holistic Health



Plant-based and  
Keto Diets for  
Newness and  
Overall Fitness



Probiotics for  
Gut Health and  
Immunity

- As consumers are preferring cooking and eating more at home, need for DIY meal kits and frozen/canned foods for **at-home convenience** as well and fresh foods and cooking essentials continues to surge
  - **Ready-to-Cook and Ready-to-Heat** products also surged driven by at home consumption
- Consumers are relying more on **natural and ayurvedic** ingredients for immunity. In addition, demand for natural and **organic** F&B options is high driven by need for holistic health
- Preference for vegetarian and vegan diets driven by **conscious consumption** and urge to **try something new**. Further, rise in interest in Keto diet for fitness.
- Rise in consumer emphasis given to building immunity to overcome the pandemic, and awareness of **improving gut health for a better immune system** leading to increased demand for probiotic foods and drinks



# Questions?



**Som GanChoudhuri**

+65 9057 5170

[som@aipalette.com](mailto:som@aipalette.com)



**Salomi Naik**

+65 8750 6998

[salomi@aipalette.com](mailto:salomi@aipalette.com)

[www.aipalette.com](http://www.aipalette.com)

