

# Online-first gourmet food preps for offline expansion

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BANGALORE

Online-first food brands selling gourmet and premium snacks and groceries like healthy chips and organic fruits and vegetables are increasingly eyeing expansions through offline retail to tap into the bulk of India's consumers who still prefer buying essentials at physical retail stores.

The Organic World, a Bengaluru-based omnichannel marketplace hosting a range of gourmet food brands like Naturally Yours, Bon Appetit and Pink Harvest, has seen a surge in enquiries in the last few months as brands look to cash in on the growing market for "better-for-you foods", its founder Gaurav Manchanda said. The brand is looking to expand its retail presence to 100 stores by 2026 and gets more than 80% of its revenue from the offline channel.

Premium popcorn brand majority owned by multiplex chain PVR, 4700 BC, is using its presence on e-commerce and quick commerce platforms to drive offline placement in the top 8 metro cities, including Mumbai, Delhi, and Bengaluru, according to the firm's founder Chirag Gupta.

"Our offline expansion follows a strategic approach rather than aggressive scale-up. Investments are being directed towards strengthening availability in formats that align with consumer behaviour—whether that's modern trade, travel retail, or high-footfall locations," Gupta told *Mint*.

India's healthy snacking brands generated revenue of \$3.85 billion in 2023 and are expected to reach \$6.4 billion by 2030, as per market research firm Grand View Research estimates. The organic product market is also witnessing a 25% year-on-year growth and is



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well on track to reach \$8.9 billion in the next 7 years, according to market intelligence firm iMARC Group. For context, the global market for organic foods is about \$230 billion, according to Praxis Global Alliance.

drive sales among Indian audience who want to try international flavours. It is also looking to expand its organic foods portfolio to bolster double-digit growth in the coming years.

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## ORGANIC PUSH

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There has also been heightened activity in recent months, with large consumer companies recognizing opportunity in the space. **LT Foods, the global FMCG company that makes Daawat rice, introduced a Jasmine Thai Rice variant last year, expecting it to**

tion of a production-linked incentive scheme (PLI) to support millets in food products has pushed brands to focus on organic ingredients in ready-to-eat and ready-to-cook formats. Tata Consumer Products acquired Capital Foods—the owner of Fabindia-backed Organic

India—for a combined enterprise value of ₹7,000 crore last year, sensing a burgeoning opportunity. Retailing veteran Kishore Biyani's daughters returned to food retail with Food Stories, a gourmet food and experiential retail format on the lines of their previous Foodhall venture, in March last year.

"Offline expansion is crucial for a gourmet food brand to encourage trial and adoption. In a crowded market, it can help widen brand visibility and appeal to a user that could be wary of products and brands that are unknown and sometimes expensive," Shivaraj Jayakumar, practice member (Consumer and Internet) at Praxis Global Alliance, said.

The brand 4700 BC is eyeing retail formats beyond retail shelves and wants to capture travel retail, corporate accounts, and kiosks in select retail stores and cinemas. Travel retail—which includes the Indian Railways as well as Indian and international airlines like IndiGo, Qatar, and Cathay Pacific—has helped the brand reach consumers in high-attention environments where brand recall is stronger and the customer is more likely to engage with a product, according to founder Gupta.

"Most importantly, offline isn't just about retail shelves. It's about presence in the right spaces—airports, corporate accounts, and high-footfall kiosks in cinemas and premium retail, ensuring that we engage consumers meaningfully beyond just availability. This has allowed us to drive significant awareness and trial," Gupta added. Brands are seeing an uptick in demand, which is encouraging them to explore retail formats. The Organic World has seen its gourmet category, including makhana, nuts and kombucha, witness a 144% growth, fuelled by a growing appetite for healthy and premium food choices.

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