



Passport

Savoury Snacks in India

Euromonitor International

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SAVOURY SNACKS IN INDIA

KEY DATA FINDINGS

- Retail value sales rise by 5% in current terms in 2022 to INR478 billion
- Nuts, seed and trail mixes is the best performing category in 2022, with retail value sales growing by 12% in current terms to INR39.3 billion
- Haldiram Foods International Pvt Ltd is the leading player in 2022, with a retail value share of 13%
- Retail sales are set to rise at a current value CAGR of 9% (2022 constant value CAGR of 4%) over the forecast period to INR739 billion

2022 DEVELOPMENTS

Rise in on-the-go snacking as pandemic-led restrictions are removed

The pandemic restricted the movement of consumers in 2020 and 2021. However, with India's successful vaccination drive, the number of cases has come under control in 2022, thus leading to the removal of COVID-19 restrictions on travel, offices, and other such activities. With the resumption of the movement of people, on-the-go snacking occasions for the consumption of savoury snacks such as potato chips and puffed snacks have increased, thus contributing to retail volume and current value growth. However, rising inflation and resultant increases in unit prices have limited the rate of growth, as savoury snacks have become more expensive.

Manufacturers try to control operating costs amidst rising inflation

Rising inflation, triggered by the war in Ukraine, led to price inflation for edible oils, wheat and sugar, as well as other components, such as packaging. Rising crude oil prices also led to rises in freight costs, which ultimately led to a considerable increase in production costs for manufacturers. Because of high price-sensitivity amongst Indian consumers, manufacturers have been wary of raising the unit prices of savoury snacks, as it might have a negative impact on consumption. Amidst this situation, companies tried to control their operating costs while passing on the minimum possible price rises to customers. The product portfolios of these companies also became more focused on mass products.

Rising e-commerce penetration in tier-1 cities creates more opportunity for start-ups

Witnessing the huge potential of savoury snacks in India, in conjunction with the easy funding/financing options available, many start-ups and regional players have emerged in the market in recent years. However, these start-ups are primarily limited to urban areas in India, since they are leveraging e-commerce channels, where they have more visibility and are accessible to Indian consumers, as opposed to setting up a distribution network from scratch.

PROSPECTS AND OPPORTUNITIES

Consumers migrate from the unorganised to organised market, citing quality

The pandemic has accelerated demand, whilst bringing into focus the importance of quality controlled packaged food in India. Consumers now are more aware of the hygienic packaging, quality ingredients and nutritional value of packaged products. This rise in consumer awareness is expected to translate into increased responsibility for manufacturers to control their quality while maintaining their prices. In the forecast years, the growth of the organised market is expected to be higher than the unorganised market for the aforementioned reasons, thus driving the continued retail volume and current value growth of savoury snacks.

Rural demand to drive growth in the forecast period

Players in savoury snacks, such as PepsiCo, Haldiram Foods International, Bikaji Foods International and Balaji Wafers, have been targeting the rural population with smaller packaging, regional flavours, and elaborate distribution networks, along with targeted marketing efforts, leading to greater brand awareness and loyalty. The prices of their products are also aimed at the affordability of the mass rural market in India. This strategy has increased penetration in the rural market, and demand is expected to grow further in the future. Balaji, which was a regional brand, has grown due to offering more weight at the same price point as its competitors, and has grown due to this strategy. Other companies, such as Parle and ITC, offer packs of savoury snacks at INR5, INR10 and INR20, which are popular options for mass consumers. With increasing awareness and rising hygiene-consciousness amongst rural consumers, to move to packaged savoury snacks is expected to drive growth in the forecast period.

Growth of e-commerce to provide A boost to the category

In spite of the large market, there is still low penetration of e-commerce in India. E-commerce companies such as Zepto, Instamart and Dunzo are working towards reducing their delivery time while maintaining a low delivery cost. The operating hours of these websites are also extending – most of them now operate until 01.00hrs. Thus, these websites provide a good platform for customers who want a quick solution for their midnight craving or for last-minute purchases. With the competition building in this space, the service providers are only expected to become more efficient in terms of delivery time and price point offered – thus onboarding more customers. This phenomenon is expected to attract more consumers, thus providing a growth opportunity for savoury snacks manufacturers in India.

CATEGORY DATA

Summary 1 Other Savoury Snacks by Product Type: 2022

Product type

Spicy Thick Sev - MTR Snackup - Orkla Group

Chow Mixture - Maiyas Snacks - Maiyas Beverages & Foods Pvt Ltd

Navratan Mixture - Crax NamKeens - DFM Foods Ltd

Mung and Chana Dal - Balaji Namkeen - Balaji Wafers Pvt Ltd

Namkeen - Yellow Diamond - Prataap Snacks Pvt Ltd

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 1 Sales of Savoury Snacks by Category: Volume 2017-2022

'000 tonnes	2017	2018	2019	2020	2021	2022
Meat Snacks	-	-	-	-	-	-
Seafood Snacks	-	-	-	-	-	-
Nuts, Seeds and Trail Mixes	70.9	74.2	77.3	77.9	80.4	83.7
Salty Snacks	521.1	576.3	641.1	685.6	739.7	783.9
- Potato Chips	188.1	206.2	224.5	231.3	232.2	222.3
- Tortilla Chips	1.8	2.0	2.3	2.7	3.0	3.5
- Puffed Snacks	331.2	368.1	414.2	451.6	504.5	558.1
- Rice Snacks	-	-	-	-	-	-
- Vegetable, Pulse and Bread Chips	-	-	-	-	-	-
Savoury Biscuits	225.8	238.8	251.8	252.4	260.4	270.8
Popcorn	6.4	6.7	7.2	7.5	8.0	8.7
Pretzels	-	-	-	-	-	-
Other Savoury Snacks	184.8	206.5	231.7	249.3	277.1	310.8
Savoury Snacks	1,009.0	1,102.5	1,209.1	1,272.7	1,365.6	1,457.9

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 2 Sales of Savoury Snacks by Category: Value 2017-2022

INR million	2017	2018	2019	2020	2021	2022
Meat Snacks	-	-	-	-	-	-
Seafood Snacks	-	-	-	-	-	-
Nuts, Seeds and Trail Mixes	22,352.9	25,415.3	28,770.1	31,134.1	35,088.2	39,270.7
Salty Snacks	170,842.6	196,025.8	224,836.3	246,026.6	262,888.2	273,264.9
- Potato Chips	83,483.0	96,256.0	109,828.0	118,435.2	124,688.6	127,556.4
- Tortilla Chips	1,075.5	1,233.3	1,395.7	1,544.2	1,728.2	1,854.0
- Puffed Snacks	86,284.2	98,536.5	113,612.6	126,047.2	136,471.4	143,854.5
- Rice Snacks	-	-	-	-	-	-
- Vegetable, Pulse and Bread Chips	-	-	-	-	-	-
Savoury Biscuits	44,385.2	49,232.1	54,391.6	56,964.7	61,687.1	64,537.0
Popcorn	2,799.5	3,072.6	3,540.9	3,881.1	4,384.9	4,660.6
Pretzels	-	-	-	-	-	-
Other Savoury Snacks	54,925.8	64,164.3	75,168.4	84,295.5	92,438.5	95,886.4
Savoury Snacks	295,306.0	337,910.0	386,707.3	422,302.1	456,486.8	477,619.6

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 3 Sales of Savoury Snacks by Category: % Volume Growth 2017-2022

% volume growth	2021/22	2017-22 CAGR	2017/22 Total
Meat Snacks	-	-	-

Seafood Snacks	-	-	-
Nuts, Seeds and Trail Mixes	4.0	3.4	18.0
Salty Snacks	6.0	8.5	50.4
- Potato Chips	-4.2	3.4	18.2
- Tortilla Chips	14.8	14.7	98.5
- Puffed Snacks	10.6	11.0	68.5
- Rice Snacks	-	-	-
- Vegetable, Pulse and Bread Chips	-	-	-
Savoury Biscuits	4.0	3.7	20.0
Popcorn	8.0	6.1	34.7
Pretzels	-	-	-
Other Savoury Snacks	12.2	11.0	68.2
Savoury Snacks	6.8	7.6	44.5

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 4 Sales of Savoury Snacks by Category: % Value Growth 2017-2022

% current value growth	2021/22	2017-22 CAGR	2017/22 Total
Meat Snacks	-	-	-
Seafood Snacks	-	-	-
Nuts, Seeds and Trail Mixes	11.9	11.9	75.7
Salty Snacks	3.9	9.8	60.0
- Potato Chips	2.3	8.8	52.8
- Tortilla Chips	7.3	11.5	72.4
- Puffed Snacks	5.4	10.8	66.7
- Rice Snacks	-	-	-
- Vegetable, Pulse and Bread Chips	-	-	-
Savoury Biscuits	4.6	7.8	45.4
Popcorn	6.3	10.7	66.5
Pretzels	-	-	-
Other Savoury Snacks	3.7	11.8	74.6
Savoury Snacks	4.6	10.1	61.7

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 5 NBO Company Shares of Savoury Snacks: % Value 2018-2022

% retail value rsp Company	2018	2019	2020	2021	2022
Haldiram Foods	11.6	11.6	11.9	12.5	12.7
International Pvt Ltd					
Balaji Wafers Pvt Ltd	6.6	6.7	7.5	7.5	7.3
ITC Ltd	7.0	6.8	6.6	6.4	6.3
Parle Products Pvt Ltd	5.3	4.9	5.1	5.0	5.1
PepsiCo India Holdings Pvt Ltd	7.8	6.8	5.8	5.3	4.9
Bikaji Foods	2.5	2.6	2.8	3.0	3.0
International Ltd					
Prataap Snacks Pvt Ltd	4.4	4.1	3.3	3.0	2.9
Bikanervala Foods Pvt Ltd	2.6	2.6	2.6	2.5	2.5
Britannia Industries Ltd	1.9	1.7	1.8	1.7	1.8
DFM Foods Ltd	1.9	1.7	1.7	1.6	1.6
Saj Industries Pvt Ltd	1.5	1.5	1.6	1.5	1.5

Anmol Biscuits (P) Ltd	1.0	0.9	1.0	1.0	1.0
SM Foods Ltd	0.6	0.6	0.7	0.7	0.7
Agro Tech Foods Ltd	0.7	0.7	0.7	0.6	0.6
Surya Food & Agro Pvt Ltd	1.0	0.9	0.7	0.6	0.6
Laxmi Snacks Pvt Ltd	0.4	0.4	0.4	0.5	0.5
GreenDot Health Foods Ltd	0.3	0.3	0.2	0.3	0.3
Guiltfree Industries Ltd	0.5	0.5	0.3	0.2	0.2
Maiyas Beverages & Foods Pvt Ltd	0.1	0.1	0.1	0.1	0.1
Private Label	1.3	1.3	1.4	1.4	1.4
Others	41.1	43.3	43.9	44.5	45.1
Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 6 LBN Brand Shares of Savoury Snacks: % Value 2019-2022

% retail value rsp Brand (GBO)	Company (NBO)	2019	2020	2021	2022
Haldiram's	Haldiram Foods International Pvt Ltd	9.9	10.1	10.6	10.8
Balaji	Balaji Wafers Pvt Ltd	6.7	7.5	7.5	7.3
Bingo! (ITC Group)	ITC Ltd	6.5	6.4	6.1	6.0
Parle	Parle Products Pvt Ltd	4.9	5.1	5.0	5.0
Bikaji (Bikaji Foods Pvt Ltd)	Bikaji Foods International Ltd	2.6	2.8	3.0	3.0
Yellow Diamond	Prataap Snacks Pvt Ltd	4.1	3.3	3.0	2.9
Lay's (PepsiCo Inc)	PepsiCo India Holdings Pvt Ltd	3.7	3.2	2.9	2.7
Bikano	Bikanervala Foods Pvt Ltd	2.6	2.6	2.5	2.5
Kurkure (PepsiCo Inc)	PepsiCo India Holdings Pvt Ltd	2.6	2.3	2.1	1.9
Taka Tak	Haldiram Foods International Pvt Ltd	1.7	1.8	1.9	1.9
Britannia	Britannia Industries Ltd	1.7	1.8	1.7	1.8
Crax	DFM Foods Ltd	1.7	1.7	1.6	1.6
Bisk Farm	Saj Industries Pvt Ltd	1.5	1.6	1.5	1.5
Anmol	Anmol Biscuits (P) Ltd	0.9	1.0	1.0	1.0
Act II (ConAgra Brands Inc)	Agro Tech Foods Ltd	0.7	0.7	0.6	0.6
Priyagold	Surya Food & Agro Pvt Ltd	0.9	0.7	0.6	0.6
Real Namkeens	Laxmi Snacks Pvt Ltd	0.4	0.4	0.5	0.5
Peppy	SM Foods Ltd	0.4	0.4	0.4	0.4
Piknik	SM Foods Ltd	0.3	0.3	0.3	0.3
Sunfeast (ITC Group)	ITC Ltd	0.3	0.3	0.3	0.3
Cornitos	GreenDot Health Foods Ltd	0.3	0.2	0.3	0.3
Uncle Chipps (PepsiCo Inc)	PepsiCo India Holdings Pvt Ltd	0.4	0.3	0.2	0.2
Too Yumm! (RP-Sanjiv Goenka Group)	Guiltfree Industries Ltd	0.5	0.3	0.2	0.2
Maiyas Snacks	Maiyas Beverages & Foods Pvt Ltd	0.1	0.1	0.1	0.1
Cheetos (PepsiCo Inc)	PepsiCo India Holdings Pvt Ltd	0.1	0.0	0.0	0.0
Act II (ConAgra Foods Inc)	Agro Tech Foods Ltd	-	-	-	-
Aliva (PepsiCo Inc)	PepsiCo India Holdings Pvt Ltd	-	-	-	-

Private label	Private Label	1.3	1.4	1.4	1.4
Others	Others	43.4	44.0	44.6	45.1
Total	Total	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 7 Distribution of Savoury Snacks by Format: % Value 2017-2022

% retail value rsp	2017	2018	2019	2020	2021	2022
Retail Channels	100.0	100.0	100.0	100.0	100.0	100.0
- Retail Offline	100.0	100.0	100.0	100.0	100.0	99.9
-- Grocery Retailers	100.0	100.0	100.0	100.0	95.7	94.8
--- Convenience Retail	3.5	3.4	3.6	3.1	3.2	3.3
---- Convenience Stores	3.4	3.4	3.6	3.1	3.2	3.3
---- Forecourt Retailers	0.1	0.1	0.1	0.0	0.0	0.0
--- Supermarkets	5.2	5.3	5.3	6.1	4.1	3.9
--- Hypermarkets	7.5	7.5	7.6	8.2	7.4	8.3
--- Discounters	-	-	-	-	-	-
--- Warehouse Clubs	-	-	-	-	-	-
--- Food/drink/tobacco specialists	-	-	-	-	-	-
--- Small Local Grocers	83.8	83.7	83.5	82.5	81.0	79.3
-- Non-Grocery Retailers	-	-	-	-	4.2	5.2
--- General Merchandise Stores	-	-	-	-	-	-
--- Apparel and Footwear Specialists	-	-	-	-	-	-
--- Appliances and Electronics Specialists	-	-	-	-	-	-
--- Home Products Specialists	-	-	-	-	-	-
--- Health and Beauty Specialists	-	-	-	-	4.2	5.2
--- Leisure and Personal Goods Specialists	-	-	-	-	-	-
--- Other Non-Grocery Retailers	-	-	-	-	-	-
-- Vending	-	-	-	-	-	-
-- Direct Selling	-	-	-	-	-	-
- Retail E-Commerce	-	-	-	0.0	0.0	0.1
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 8 Forecast Sales of Savoury Snacks by Category: Volume 2022-2027

'000 tonnes	2022	2023	2024	2025	2026	2027
Meat Snacks	-	-	-	-	-	-
Seafood Snacks	-	-	-	-	-	-
Nuts, Seeds and Trail Mixes	83.7	87.4	91.8	96.1	100.8	105.7
Salty Snacks	783.9	846.2	912.0	978.6	1,042.4	1,110.4

- Potato Chips	222.3	228.9	236.2	243.0	249.6	255.9
- Tortilla Chips	3.5	4.0	4.6	5.2	5.9	6.6
- Puffed Snacks	558.1	613.3	671.3	730.5	787.0	847.8
- Rice Snacks	-	-	-	-	-	-
- Vegetable, Pulse and Bread Chips	-	-	-	-	-	-
Savoury Biscuits	270.8	283.7	299.8	316.9	335.1	354.3
Popcorn	8.7	9.4	10.3	11.4	12.7	14.0
Pretzels	-	-	-	-	-	-
Other Savoury Snacks	310.8	351.3	400.0	456.9	522.6	597.7
Savoury Snacks	1,457.9	1,578.0	1,713.9	1,860.0	2,013.5	2,182.0

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 9 Forecast Sales of Savoury Snacks by Category: Value 2022-2027

INR million	2022	2023	2024	2025	2026	2027
Meat Snacks	-	-	-	-	-	-
Seafood Snacks	-	-	-	-	-	-
Nuts, Seeds and Trail Mixes	39,270.7	42,826.5	46,510.8	50,375.6	54,493.7	58,738.2
Salty Snacks	273,264.9	282,232.2	291,685.9	301,398.7	311,260.4	320,209.8
- Potato Chips	127,556.4	131,309.4	135,552.0	139,966.9	144,478.1	148,258.3
- Tortilla Chips	1,854.0	1,974.5	2,102.9	2,233.8	2,361.6	2,488.8
- Puffed Snacks	143,854.5	148,948.4	154,031.0	159,198.1	164,420.6	169,462.8
- Rice Snacks	-	-	-	-	-	-
- Vegetable, Pulse and Bread Chips	-	-	-	-	-	-
Savoury Biscuits	64,537.0	66,662.8	68,880.3	71,196.9	73,593.9	75,681.5
Popcorn	4,660.6	4,994.4	5,351.2	5,730.8	6,113.1	6,500.8
Pretzels	-	-	-	-	-	-
Other Savoury Snacks	95,886.4	99,610.0	103,522.2	107,349.6	111,056.3	114,706.6
Savoury Snacks	477,619.6	496,325.9	515,950.4	536,051.5	556,517.4	575,837.0

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 10 Forecast Sales of Savoury Snacks by Category: % Volume Growth 2022-2027

% volume growth	2022/23	2022-27 CAGR	2022/27 Total
Meat Snacks	-	-	-
Seafood Snacks	-	-	-
Nuts, Seeds and Trail Mixes	4.5	4.8	26.3
Salty Snacks	7.9	7.2	41.6
- Potato Chips	2.9	2.9	15.1
- Tortilla Chips	14.4	13.6	89.1
- Puffed Snacks	9.9	8.7	51.9
- Rice Snacks	-	-	-
- Vegetable, Pulse and Bread Chips	-	-	-
Savoury Biscuits	4.7	5.5	30.8
Popcorn	8.7	10.1	62.0
Pretzels	-	-	-
Other Savoury Snacks	13.0	14.0	92.3
Savoury Snacks	8.2	8.4	49.7

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 11 Forecast Sales of Savoury Snacks by Category: % Value Growth 2022-2027

% constant value growth	2022/2023	2022-27 CAGR	2022/27 Total
Meat Snacks	-	-	-
Seafood Snacks	-	-	-
Nuts, Seeds and Trail Mixes	9.1	8.4	49.6
Salty Snacks	3.3	3.2	17.2
- Potato Chips	2.9	3.1	16.2
- Tortilla Chips	6.5	6.1	34.2
- Puffed Snacks	3.5	3.3	17.8
- Rice Snacks	-	-	-
- Vegetable, Pulse and Bread Chips	-	-	-
Savoury Biscuits	3.3	3.2	17.3
Popcorn	7.2	6.9	39.5
Pretzels	-	-	-
Other Savoury Snacks	3.9	3.6	19.6
Savoury Snacks	3.9	3.8	20.6

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources