Emerging FoodTech trends in the Indian market in the near future

Fast digital transformation has been transforming the food industry for the past few years, and FoodTech is no exception to this trend. As the food industry endures to grow in India, it becomes very important for companies to keep an eye on the ever-evolving trends and innovations emerging in the market.

With several global food-technology trends making their presence felt in India, there has been an increased focus on food safety awareness, which is reflected in consumer demands for proper labelling and certifications. Industry players have needed to be alert to government scrutiny in the form of FSSAI mandates. So, let's take a closer look at a few FoodTech trends that will see widespread adoption in the Indian market soon:

Menu Optimisation– Menu optimization is a main plan that food service providers can employ to make their businesses more cost-effective while enhancing customer delight and driving sales. Increasingly, analytics will play a major role in helping food service providers make smarter, more data-driven decisions while planning their menus. An effective menu optimization solution factors in a range of parameters, including ingredient & labour costs, past consumer demand, nutritional value, and compliance with FSSAI directives to plan a menu that delivers revenue growth as well as customer experience.

Personalized recommendations – Personalization is another trend that is gaining ground in the food industry. A McKinsey report suggests that companies that get personalization right can generate 40% more revenue. Easy access to data through cloud-based digital solutions enables consumers to view and filter nutritional details, dietary preferences, allergens, and more, in a frictionless and intuitive manner. This will allow them to build personalized menus that can be saved and swiftly accessed through their profiles. Taking this a step further, food service providers could potentially leverage customer data (including past ordering history, dietary restrictions, etc.) to make personalized meal plans for customers, with the precise type and amount of nutrients they would need to optimize their personal health.

Food traceability– There has been a lot more focus on food traceability in India in recent years. For instance, in 2022, the FSSAI (Food Safety and Standards Authority of India) made supply chain traceability up to the manufacturing level a regulatory requirement for food firms producing vegan products. Food traceability goes a long way towards building consumer trust, as it gives them access to information about the origin, movement, and quality of food products. Consider a scenario where a customer can simply scan a unique code on a food product to learn its production/expiry date, where the ingredients were sourced from, the inspection certificate, and other relevant quality & safety-related information. IoT (Internet of Things) can help track food products throughout the supply chain, for instance, with sensors that can track the real-time location of goods, the temperature/humidity conditions under which they are being transported and stored, etc. Blockchain is also emerging as another technology that can power next-gen food traceability solutions.

Automated food ordering, preparation & delivery– Online food ordering has already gained a strong foothold in the Indian market, and the pandemic significantly accelerated this trend. Data, analytics, and automation continue to play a key role in the digital transformation of this business at every stage and

AI/ML enables food-delivery apps to give personalized recommendations and 'nudges' to repeat customers based on their order history. Data on consumption patterns are shared with partner restaurants, enabling them to optimize food preparation in their kitchens based on demand. Soon, AI-powered robots preparing food and IoT devices with sensors monitoring temperature, hygiene standards, and other factors could become commonplace. AI/ML can also optimize the delivery process- reducing wait times for delivery personnel at restaurants, assessing the best possible delivery routes based on real-time traffic and weather conditions, and more.

Sustainability- The sustainability of food systems is a global concern, given the tremendous pressure on our current systems. There is growing awareness of the need for sustainable food systems in India as well. The increasing demand for better quality (and quantity) of food, climate change, ecosystem changes triggered by food production, and obesity-related health concerns are some of the key challenges many countries, including India, face. In the years ahead, there is a need to work towards a food system that is accessible and affordable, energy-efficient, healthy, and safe, environmentally beneficial, and in line with sustainable agriculture practices.

FoodTech firms can contribute to these efforts, with initiatives around reducing food waste, eco-friendly/biodegradable packaging, innovative plant-based diets, data-driven smart farming, etc. There is a wide range of cultural and economic factors that make the Indian food-services market unique as compared to the US or other global food-services markets. But there are many similarities too. For instance, both the US and Indian food-service markets are growing at a similar pace of over 10%. The shifts in customer preference towards organic, locally sourced, and plant-based foods is a US trend that is now increasingly being observed in the Indian context as well. Awareness about allergens and about sustainability is currently more prevalent in the US, but the Indian market is fast catching up in this regard. Being a relatively late entrant in the FoodTech space, India has the opportunity to implement more fine-tuned processes and advanced technologies. By embracing the trends discussed above, Indian FoodTech players will be able to successfully boost efficiency (and thus sales), reduce food waste through better inventory planning, and deliver a superior customer experience.

Resource: https://agronfoodprocessing.com/emerging-foodtech-trends-in-the-indian-market-in-the-near-future/