

## Problems and Prospects of Marketing Malted Products in India

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### Abstract:

The malted food and beverage sector in India has witnessed steady growth, driven by rising health consciousness, urbanization, and evolving dietary preferences. Despite its potential, the marketing of malted products faces several challenges, including limited consumer awareness in rural regions, high price sensitivity, competition from alternative health drinks, and regulatory constraints. This article explores the current landscape of malted product marketing in India, identifying key barriers such as distribution inefficiencies, inconsistent branding strategies, and cultural dietary habits. At the same time, the paper examines emerging opportunities presented by digital marketing, health-focused innovations, and expanding retail infrastructure. Through a comprehensive analysis of market trends, consumer behavior, and strategic frameworks, the article provides insights into how manufacturers and marketers can overcome existing limitations and leverage growth prospects in both urban and rural markets. The study concludes by suggesting actionable strategies to enhance market penetration and long-term sustainability of malted products in India.

Keywords: Malted products, consumer behavior,

Problems and Prospects of Marketing Malted Products in India, malt preparation, market trends

### 1. Introduction

Malted products have an important place both in the beverage industry and in the preparation of foods (D Rohrbach & A B Kiriwaggulu, 2007). After the natural and unprocessed state, malted products are perhaps the most widely, largely, extensively, deeply, and commonly used food, food additive, and beverage. Barley malt has been known for many centuries as an important food and food additive. The first evidence of its use as a gelatinous extract was found in the fourteenth century BC in the tombs of the Pharaohs of Egypt, in the burial utensils of which barley malt mash was discovered.

Malt is a true cereal food. The word 'barley' is derived from the combination of 'arley' or 'ere,' which means 'to make clear or watery,' and 'beorht,' which denotes 'to brighten, to lighten,' in the same manner that malt is made from corn or a similar substance by infusion for the sake of forming an infusion or emulsion. It is referred to in Tasmania as 'malted granular material.' Corn, barley, oats, wheat, rice, and even beans have all been malted successfully, although most commonly barley is used. In India, bajri is supplied to domestic breweries, while small local breweries use ragi, niame, cowpea, etc., for 'malt' preparation. The safety level is often exceeded. Majority of malted beverages of India are either bland or bitter, bearing no resemblance to lagers and ales of the western world. Malt powder and 'flour' bright powder contains a mixture of malted grains of different varieties. The taste of such malted food powder is sweet and slightly bitter.

Malted products have enormous potential to become popular food sources in health-conscious nations (Marsland & P Rao, 1999). Because of their nutritional superiority, malted products can replace conventional food products. In the context of rising imports of oats, malted cereal products have an enormous potential in their own right to replace these imports. Better preservation and product improvement methods can make malt an attractive commercial raw material and health product.

However, very few entrepreneurs have used it as successfully as parboiled milling before the milling process.

## **2. Overview of Malted Products**

Malted products are made from major cereals like barley, wheat, sorghum, etc. Malting is a process by which the grains are allowed to germinate under favorable conditions and this processes involves mainly three stages – germination, curing and grinding. By this process, various cultivars of malted products are made. Malting converts starches into sugars and predigest protein for easy assimilation for beverages and food. During the process of malting, soluble nutrients like sugars and amino acids are increased and anti-nutritional factors like tannins and phytic acid are reduced. Malted cereals are becoming essential ingredients in the daily diet. In the food and beverage industries, malt has been used for centuries as an adjunct to the principal ingredients for fermentable sugars, protein or suspension remains in the clarified beverages. The malted grains provide ease of handling, modification of characters and quality improvement of the products. Malt, an adjunct to principal ingredients, provides fermentable sugars, pre-digested protein, suspension and mouth-feel in beverages and distilled products.

Malted millets are growing in importance as a food ingredient and are used to prepare malt beverages and food products. Malted mixed flour is a recent development for the convert of staples in to food through fortified weaning and complementary foods. A few beverage ruling companies are also using malted cereals as a product ingredient. Nonalcoholic malt drink industry is in its infancy in India. Therefore, a serious action plan needs to be formulated for a better launch of the product for the realization of its true potential. The health benefits of malted food needs to be disseminated properly to carve a niche in the food market followed by strengthening R&D on nutraceutical and therapeutic malting process of new raw materials, developing food security-based malted food products, endurance and delight house varieties of malted food (D Rohrbach & A B Kiriwaggulu, 2007).

## **3. Historical Context of Malted Products in India**

The use of malted-based products in India dates back to the time of the Buddha when it was used for invigorating drinks. The first patent for malt liquor was granted in India in 1857. Within two years, the majority of its breweries began to manufacture malt extract. The large-scale manufacture of malt extract began with the installation of a malting plant in 1865. The regular manufacture of food malt was started by a post-war firm in 1919. In 1956, a company started marketing malt extract and malt powder on a small scale.

During the same period, there were three major malt extract plants at Madras, Bombay, and Calcutta. However, with the closure of a plant at Madras in 1979 and the liquidation of a company in 1981, the indigenous supplier of malt extracts fell to two, a company and another at Calcutta. Malted food products have been gaining in popularity over the years as fast-moving consumer goods in India. The earliest malting plants were promoted by an overseas firm but a small plant at Varanasi is now malted. Product diversification, quality control, and effective advertising are the hallmarks of the big malting firms in India, who control the marketing of malted foods.

The use of malted foods is on the upswing in India as a cheap dietary supplement for health food drinks and cocoa-based confectionery. However, given the rapid pace of malting and melting, product diversification is required to sustain and add value to the industry. Soft drink as a beverage has gained an ever-increasing popularity among all classes of people, and even people in the Indian villages started drinking these beverages, which are mostly cocoa-based. Malt beverages possess good food value because of the malt used and low carbohydrate contents. These are health drinks having

vitamins, minerals, and proteins. Therefore, there is an immense need to explore the marketing of malt products.

#### **4. Market Analysis**

The organized milk products are being produced by both Co-operatives and private companies. The Co-operative institutions are producing variety of products including Pasteurized Milk, N.D.D.M., Ghee, Cheese, Butter Milk, Ice Cream, Chaas, Paneer, etc. Visiting any cities of Co-operative State Units one can see the organization and working of these Units. Baroda, Surat, Anand, Bhavnagar, Alwar, Bhopal, Udaipur, Indore, Nagda, Neemuch, Jabalpur, Sagar, Ujjain etc. there are very efficient cooperative societies engaged in processing and marketing e.g. three packing plants, two churnery, one pasteuriser, one cheese processing plants, one other formed Ultra Pasteuriser Plant. Established under DCS is also proving encouragement to the activities of the dairy co-operatives. (D Rohrbach & A B Kiriwaggulu, 2007)

The companies engaged in production of variety of sweets Sweets and confects are fast moving industries these days. These industries attract this author from the very childhood. This author interested in this industry as it has got both rapid growth and a bright side. At present near about 150 varieties of sweets, carrying different trade names and flavors, have been listed out on an industry basis in M.P.State. These products were prepared four years back using the dehydrated dextrinised flour. These desserts were heavy or indigestible.

A few more varieties such as Barfi, Jalebi, Gaja and Samosa delicious preparations from sweet white flour. Preparation of above preparations not only provide nutritional ready to eat foods on modern and scientific basis. Innumerable varieties of Sweets preparations prepared from Malted Bran, Malted Diamond Oval, Malted Wheat Flour, Malted Bengal Gram Flour have also been standardized with the risks of essential trials. The products are diabetic and nutritious representation for prevention of a number of health hazards. Quality proteins and assorted amino-acids are also available. Rudimentary work has been done to develop a few new varieties of malted snacks from malted cereal, legume and tuber pieces. The market potentiality to this product has also been highlighted while forecasting on the basis through customer attitude sampling survey.

##### **4.1. Current Market Trends**

Food processing start-ups in India account for a big portion of the socio-economic structure. States such as Odisha, Madhya Pradesh, West Bengal etc. account for the highest level of food processing start-ups. In India, the major food processing sector include processing for cereals, oil cakes, dairy food, and other FSIs. Bars and confectionery dominate the sugar based processing industry. Wheat is the basic raw material for pasta production in India and potato for chips etc. Foxtail millet, sorghum and barley etc. are processed to different products, such as roasted snacks and malted beverages, through traditional practices. This sector has recently been fast growing and modernized by using improved technology. (P Rao et al., 2004).

The food processing policies and the role of NABARD are discussed considering status and schemes of food processing start-ups in India. (D Rohrbach & A B Kiriwaggulu, 2007). Consumer empowerment on food safety issue seems to be vital for ensuring food safety. The start-ups are also needed to have proper guidance and facility for concurrent food safety audit during current development stage in order to have low cost food safety certification and expansion of business. Government incentives are required for education/pre-training and empowerment of food and safety issues among the consumers before introducing new food products in the market. As a part of confidence building measure, larger stake holders of the value chain should be subjected to food safety standards and

audit. Ensuring availability of required technical expertise on a grant basis would be helpful for start-ups in developing food safety and quality management system (QMS) along with ISO certification.

#### **4.2. Consumer Preferences**

Marketing strategy refers to the process of determining what the business's goal is and turning that objective into a series of steps to determine how to meet that goal (Xu et al., 2019). A marketing strategy is typically designed at a high level to be able to consider the various sales channels, whether that is through direct sales by the company, having a third party sell the products or a hybrid of the two. There are many options available to a marketer when establishing a marketing strategy. Once the strategy is in place it will be one of the major factors for determining success. The evolution of media has shaped marketing strategies adopted by companies. Different media attracts different types of customers and provides a different level of detail for the customer to make a decision (M.A. et al., 2015). Selecting the most appropriate media for the target audience is critical for the success of a campaign, though continued analysis of the effectiveness is needed once the campaign is underway. New technology has also determined marketing strategies for companies.

The analysis of the customer portion of the marketing strategy is equally as important with regards to establishing a target market. This can take many forms from geo-targeting customers with regards to household location to finely dissecting customers on a personal level. Different approaches have their advantages and disadvantages; however, taking suggestions or ideas from multiple market analysis techniques can build a broader target base to effectively target customers. Using social media as a means of promotion is also becoming increasingly popular. What started as a means of communication with friends has now transformed into a forum for debate as well as product question and recommendations. It is an opportunity for companies and their customers to interact unlike any other prior to. Other forms of internet based promotion have come about to provide alternative means to inform customers about products.

#### **5. Challenges in Marketing Malted Products**

Malted products have several potential benefits, including nutritional, health, functional, and economic benefits. However, in addition to potential benefits, various issues and challenges restrict the potential use of malt-based products, particularly in the marketing of these products. The problems facing after the production of malted products are different, but the focus of this study is on the marketing aspects of such products. The aspects considered in this study are supply chain issues, competition with other types of beverages, and regulatory challenges.

**Supply Chain Issues** – Supply chain issues are one of the biggest challenges for the marketing of malted products. The supply chain of malted product in India could be broadly classified into three sections, i.e., pre-processing (production), processing (malt preparation and packing), and post-processing (distribution). The problem of raw material supply bottlenecks the marketing of malt. In India, there are no permanent malting barley producing belts as there are for other crops. It varies from season to season. The southern states account for around 64% of production, while another state accounts for around 31%. Fairly high yielding varieties have helped improve the yield of malted barley in the North-eastern states too. The high level of processing losses and lack of quality management of malt makes it harder for malt to be marketed at better price.

**Competition with Other Beverages** – There are many beverages available to consumers, and each has its own unique flavour and nutrition. The main competitors to malted products are cocoa foods, health mix products, grape juice, energy drinks, and other fruit-based beverages. There are around 120 malted drink companies in India. Only some of them operate nationally. The companies are focusing

on specific states, where they promote different types of malted drinks. Competition restricts the market scope of malted foods. A good range of fruit juices, including the new flavour, dominate the combined market of health and malted drinks. Maize-based and rice-based products are also widely used as health drinks. Ice creams are the new entry to health beverages for children.

**Regulatory Challenges** – Product claims are one of the emerging challenges for the marketing of malted beverages in India. Companies are using different health claims to position their products in the market. The companies also exaggerated the claims using very high levels of some nutrients. Following the liberalization in the 1990s, hardly any regulatory framework exists regulating advertisement and use of health claims with food. And, there are no regulatory guidelines on the nutrient content claims particularly true for minerals and vitamins. A regulatory authority was set up under food safety and standards act. The authority has framed regulations regulating fortification of staple foods. However, these regulations do not cover fortified beverage products and extrusion cooked cereal based products.

### **5.1. Supply Chain Issues**

The marketing chain for malted products in India varies according to the different kinds of malted products. The marketing system for malt extract is entirely different from that of malted flour and malt powder. Malted products are being marketed in ready-to-consume form as liquid malt extract, malted flour, malt powder, and syrup. Malt extract is used as a food, energy, and nutrients supplementing beverage for infants and adults and therefore, its demand has been steadily increasing. Liquid malt extract is marketed more in urban centers and towns, while malted flour is marketed more in rural areas, though its demand is also increasing in towns and urban centers. Markets for malt extract are progressing at a faster rate than flour (P Rao et al., 2011).

About 35% of malt product marketing for both flour and extract takes place through cooperative institutions and the remaining 65% takes place through private institutions. Co-operative marketing has been successful in large numbers in case of malted flour and malt extract, as growers and cooperative help both the producers and consumers by controlling the market prices of these products. Initially, the organisations were concerned with exclusive malt products processing, and were unable to market them properly besides making strategic pricing decisions. Apart from adding to the surplus production, improper marketing of processed products and wrong pricing decisions have caused huge losses to the cooperative institutions. As a result of this, a few cooperative institutions are still functioning while many cooperative institutions were abandoned. In recent years, private malted flour and extract producers have developed their own marketing systems to overcome previous marketing problems. As there are more than enough local and urban markets for processed products, the only problem now is to get more malters for production.

Presently, the main problems in this business are uncertain raw material supply, quality raw material availability, and fluctuating demand for malt products due to the availability of less costly raw materials for the production of non-alcoholic beverages. The main clear factor-offer is the long-term agreement with other malt producers. The other factors contributing to overcoming the production problems are involvement of certainly sourced quality suppliers, control on the price of raw materials, and developing a long-term agreement with non-alcohol makers. As malt is made from barley, there are no other substitutes for mapping. There is a factor for product size, packing, and supplier closedness.

### **5.2. Competition with Other Beverages**

Malted products are being marketed through a variety of suppliers, and their sales currently combine with those of other market beverages, including malt-based, fermented, dairy-based drinks, soft

drinks, fruit juices, and coconut water. Research shows that there is highly fragmented growing competition for more than five domestic and large national brands against multiple local players who provide mushrooming quality and price options. Due to their flavor and onset of taste, a superior shelf value, malted products are perceived as inferior or imitation versions of health drinks. Products with up to twice the SRP of malted products usually come with interactive social, comedy, and playing ads along with give-aways, making malt powder feel more like an expense than an investment.

Currently, the majority of marketing activities, expenses, and returns are devoted mainly to one brand. Therefore, addressing such supply chain issues must begin with sharing team responsibilities for investing more in additional marketing and building new strategies for being more successful with other brands. Understanding the current market and consumer behavior is critical. Understanding where growth comes from and what actions are needed involves conducting an analysis of consumers understanding what products and advertisements provide good coverage of usage occasions and profitability.

Taking a systems approach to successfully addressing the changing market also means analyzing the competition of other suppliers and drinks, which have lower price options but cannot be stored for as long, and fruit juices, which are in the same price band but have one-third the amount of calories. These drinks are becoming increasingly available in smaller pack sizes targeting higher income drinkers and increasing returns and willingness to buy across the market. Based on important test variables for strong brand potential and partner marketing channels, non-containerized returnable glass bottles should be assigned outlet opportunities to leverage hard-to-reach affordability.

### **5.3. Regulatory Challenges**

Marketing malted food products (MFP) in India has become more challenging than ever before due to increased advertising regulations and the removal of exemptions for self-regulatory codes. Owing to long-held perceptions that malted food products have fewer ingredients and hence fewer processing controls than biscuits and chocolates, they were exempt from scrutiny by the Advertising Standards Council of India and industry regulators. It was only in late 2021 that regulators began laying the groundwork for more stringent creative scrutiny by publication and broadcast agencies. This has raised questions about whether the product category is mature enough to meet such scrutiny.

Competitors in the food arena have targeted the children's cream biscuits and beverages segment with new market entrants fast catching up on strawberry and chocolate malt sherbet. This has led to a glaring shift in advertisement spend, brand share, and customer share of spends from MFP brands. The migrations of the youth from family nutrition to individual nutrition are now partly solved by innovations in chocolate milk; running campaigns with simple contests and generic school sponsorships. In all these competitive developments, it is apparent that both player brands need to construct barriers upon entering the pack or be ready to face a downturn.

Thus, the challenge before each MFP brand is to recapture lost chemistry and entitlement. This calls for the brand to reestablish its unique metrics (justification, processing, and category reeducation) and improvised measure (menu, geocentric, online, and influencer) and further innovate in processes. The recapturing of lost share is projected to be a herculean task, needing supply proofs and persuasive advertising as open-ended challenges to all market players.

### **6. Opportunities for Growth**

The introduction of various malted products has paved way for opening a new potential segment in the market, which has always not been tapped in a convincing manner. A sincere well-planned



promotional activities with some marketing research work can open a new arena for this product with colourful prospects from the manufacturer's and consumer's point of views. The health consciousness, increase in income levels, meal habits, taste differences, use of malted products in a variety of home made and professionally prepared items, etc. have added to the marketing potential of malted products (D Rohrbach & A B Kiriwaggulu, 2007). Untapped Market Potential for Malted Powder Products: The lower to middle segments of the society, particularly daily wage labourers, poor farmers and other unorganized sector workers often do not afford the three nutritious meal items. Further it is also observed that a large segment of the above groups do not afford breakfast. For malting of barley, around 30 percent of barley is soaked for other traditional cereal based malted powder products. With the present minimum purchase price of barley, the malting price is around Rs. 15/ kg. Due to lack of knowledge, business mentality and incentive based policy, almost no malted powder products are prepared and marketed in rural areas. With a good promotion of the product in TV, factories and demonstration programmes in the rural belt, it can capture a huge market segment seeing the many relevant positive effects based on income level, width, price to income option etc. Local level training on preparation of convenient, nutritious and cheap malted powder products will create market of vermicelli, suji, biscuit, laddoo, canned powder and so many other items among the local rural entrepreneurs. Further, as long as malted powder products are researched in India and giants switched off this potential business area, undoubtedly in the coming 5 years would dominate this business sector with huge employment generation, rural entrepreneurship and nutrition security.

### **6.1. Health Conscious Consumers**

People are increasingly concerned about health issues, leading to changes in eating habits around the world. Consumers are paying more attention to the nutritional value of food products, leading to an increase in the popularity of healthy foods. This trend is true all over the world and is expected to remain in the years to come, especially in the case of India. Growing interest in nutrition has led to an increase in the demand for healthy foods, while high obesity rates have led to an increase in health-related product marketing. As the focus shifts to healthy food products, medical problems related to unhealthy food systems have increased marketing inputs for healthy foods. The identification of nutrient-rich diet recommendations and the marketing of healthy foods as functional foods will help to overcome these issues.

Malted foods are considered healthy foods in India. The market for diets and beverages has shown rapid growth for a wide variety of customer focuses. The steady increase in disposable income is also contributing to the demand for nutritious and tasty instant beverages among the different socioeconomic classes now obsessed with instant and healthy diets. Oats, millet, rice, and barley extract are rich in starch from crops to produce malted drinks. Food preferences and food choices vary from region to region, and, traditionally, each region was known and marketed as a smart snack. This momentum for health foods and beverages is essential for a developing country like India, which has 42 percent of children aged 5 to 12 suffering from malnutrition, and an increasing focus on immunity-boosting snacks is essential because of the COVID-19 pandemic.

Viewers also want to know the health benefits of food consumed. The processed snack industry is growing at 15 percent with a high scope for innovation in new flavors and food technologies, and the malting industry is presently trading at a small market rate of 100 crore. Confidence in malting machines and investing in bulk marketing efforts to create brand equity can exploit the prospects of the growing malted food beverage market in India (Jones et al., 2017).

### **6.2. Innovation in Product Development**

In India, a wide variety of malted products are available in the market. The objective of the study was to analyze the constraints faced by large, medium, small and micro food processing units, and to examine their marketing strategies and trends in marketing. The study revealed that the entrepreneurs faced several problems related to technology, financial, marketing, and infrastructural problems. It was observed that large food processing units were better than medium, small, and micro food processing units. Suggestions were made to the government to provide the necessary help for solving these problems, to develop new products with better marketing strategies, and to develop and promote the brand by food processing units (Akhter & Hafiz, 2015).

A survey of 64 malted food processors in Uttar Pradesh, India was conducted for data collection during May and June 2022. The state was divided into four regions; four districts were selected purposively from these four regions. Further, one tehsil was selected randomly from each district. Two blocks were selected randomly from each tehsil. From each block, two large & medium and four small and micro food processing units were selected. Thus, a total of 64 malted food processing units were surveyed to collect primary data. Thematic analyses and Garrett ranking methods were applied for interpretation. The analysis revealed that large processing units faced comparatively better environment and followed better marketing strategy than that of other units. On the other hand, bulky products, items being more lucrative for production and marketing, and less competition were considered as the most important opportunity for all (64 percent) and small (62 percent) units.

### **6.3. Export Potential**

India has been regularly exporting malted products as malted food additives (in consumer packs) and for industrial consumption. Its position in the export market for malted food products is far from satisfactory. It is evident that the quantum and value of exports of malted products, which accounted for 49.50 crores in 2004-05, had declined to 47.90 crores in 2007-08, the year of recession. The share of malted products in the total food exports has declined from 0.173 percent to 0.154 percent during the corresponding period. Of the total malting products exported, 94 percent is for industrial use and only 6 percent is for retail consumption (D Rohrbach & A B Kiriwaggulu, 2007). Moreover, the globe in international trade is that of formulation of malted products which are malted food additives. The milk-based malt drinks and the new products like malt powder concentrate for vending machines have an immense growth potential. However, the industry has not been able to locate any such products. Fungicide residue in barley malt, which became a major concern in the 90s, has since been addressed adequately. Quality of malted product in terms of flavour, digestibility, solubility, and microbial stability is a must where malt is exported. Quality control measures have to be proactively implemented by the malt industry. The gist of quality assurance measures is given in Table 6.3.2. Based on these measures, it is possible and imperative to develop a training module on overall malt quality assurance, which can be further advanced to the formulation of malted products. This would involve an initial literature survey of existing knowledge and analysis of mechanisms and liabilities for handling malt in malting/ storage, quality drops and how they can be managed/ controlled, full-scale detection mechanisms for waterproof malts, malts with high extract, malt handling before filling, during hatting, filtering, drawing and its safety genre for manufacturing a quality malted product (Shah, 2012).

## **7. Marketing Strategies for Malted Products**

Some of the important strategies of the dairy industry as well as malting industry are discussed below which are being used for marketing of malted products. Some of these strategies are: Packaging, Advertising, Verbal communication, Distribution, and Pricing.



Consumers in the world want more and more convenient and safe products. Therefore companies are using different types of packaging for their malted products. Glass bottles play a primary role in the business of malted products as they preserve the quality of malted drink for a long time. They do not ferment or react with malted drink. As a result of consumer preference, some companies offer malted drinks in PET bottles. Malted powders are packed in different weight plastic pouches. Cans are used in very limited areas for packing malted powders. Some companies are also using tetra pack and paper sachets for packaging of malted drinks. Since the consumers are concerned with the hygiene and safety of the product, companies are expected to use better quality packaging.

Though malted product industry is almost 20 years old in India, advertising of these products on television channels is limited to particular geographical areas. The main television channels are Sahara One, Zee Sports, and ESPN Star. Therefore companies prefer the services of local cable operators as means of advertising. Due to limits in their budget for advertisement, most of the companies prefer local colleges, sports events, seasonal fairs, and nadachakra as means of advertisement. Some companies engage salesmen to demonstrate their products in educational institutes. Point-of-purchase advertisements in stores are not created by many companies due to lack of product visibility. As a result, brand preference switched among malted drinks. Most of the rural areas depend upon the local supply chain. Because of this distribution channel, companies are not able to enter into the rural markets. And therefore companies are forced to depend on the existing distribution channels such as wholesaler-retailer consumer, cash-and-carry dealer, and distributor-wholesaler-retailer consumer.

The qualitative study concluded that while the malted power industry is almost 20 years old in India, it is still an emerging industry. While some of the big players are already in this market, entry barriers for others are negligible. This is evident from the rapid increase in the number of operative companies in the past few years. As a result of this increasing competition, most of the companies introduced new varieties to its product line and reduced the price of their existing products. The above strategies will force the company to rely on new product development and longer distribution channels. It is suggested that a study should be undertaken to analyze the correlation between the variables identified and their ranking in the other developing countries of the world besides India. More in-depth quantitative studies can be carried out to assess the degree of precision between variables.

### **7.1. Digital Marketing Approaches**

Marketing through digital methods is simpler than via traditional media, like TV, newspapers, and radio. These methods are more efficient, effective, and economical. Practically everyone now uses the internet, and preferences will shift in the near future. Digital marketing promotes products through internet devices to target specific customers. It carries a wide range, even in rural areas, as it can create attractive advertising for less investment and higher reach. The digital method is followed by strategic planning for marketing communication. It is classified into six steps: analysis of the present situation and problems, finding marketing objectives, detailing, testing the single marketing strategy, evaluating modeling, and executing. India is currently witnessing a digital boom. There are over 242 million internet users in India, growing at 31% per annum, while the digital advertising market is poised to cross 5,000 crore soon. Growing internet penetration in tier II and tier III cities, which increased from 22% to 68%, is driving the industry as it enables advertisers to connect with users seamlessly across devices. Currently, India ranks third in total internet users. The number of internet users on mobile phones is 144 million, with an increase of nearly eight million users in 30 days. India has become one of the five biggest global e-commerce markets, benefitting both sellers and buyers. Additionally, online shopping in India is expected to reach significant sales figures in the near future. Rapid urbanization, changing lifestyles, increasing disposable incomes, computerization, and increased engagement with the net have made online shopping widely accepted. Online shopping is gaining popularity in India, as

it helps consumers compare and categorize products based on their preferences and conduct better research on customer feedback.

## **7.2. Traditional Marketing Techniques**

Traditional marketing refers to the physical methods of getting the word out about products. Although it may not seem as revolutionary as digital marketing, traditional marketing plays a significant role in marketing strategies. Print ads can be commonly seen and heard all around. Majority of the people still cuss and rush to get the day's paper, skimming through its pages to start their day. The root of most businesses is print advertising. After more than a century, print advertising continues to entrench itself as a fundamental aspect of marketing. Along with customary advertising media like newspapers and magazines, print advertisement can also be seen on billboards, brochures, and fliers. Animal communities that print ads to create a high-traffic venue for get business started. Posters have significance in both urban and rural settings. Posters are simple, cheap, and appealing tools in the local vernacular to express actions. They are not viewed as paid advertisements by the target customers. Direct mail is a form of mail used for conveyance of traditional advertisements to customers. The mail can take a variety of forms, including brochures, letters, or postcards. Unlike other methods of advertising, when an individual checks their mailbox, direct mail is focused exclusively on the recipient. Direct mail is fruitful. It's easy to target only the clientele that's likely to respond to a business's products and services.

Word-of-mouth advertising is one of the most powerful forms of marketing. It is a free source of advertising. The business can connect with its customers on a personal level. Because recommendations build trust, people typically act based on their friends' and family's recommendations. In rural areas, word-of-mouth plays an important role in marketing as new product information rapidly spreads through a strong chain. The customer in turn acts as the "salesperson," aiding the launch of the item. Lots of brands utilize this factor to improve their growth and take the lead over others. The sector relies on rural informative agents who connect farmers and distributor sales assistants.

## **7.3. Brand Positioning**

Positioning of a brand is a result of marketing efforts and methodology. It is defined as an activity that occupies a distinctive place in an array of those options that are viewed as acceptable by the consumers (Prinsloo et al., 2014). To be successful, marketers must ensure that a product occupies space in the minds of consumers that corresponds to the position in the market place. Positioning is developing a marketing strategy to establish a desired image for a product. By mentioning positioning, it is realized that a product must be associated with customer needs generally, and vice versa attributes of product must be associated with customer need categories. Positioning was the most neglected aspect of brand management advertising, merchandising, sales promotion, and all other marketing communication strategies were being aggressively managed, but no one was aware of positioning at the time.

Positioning is not limited to the second step, i.e., developing product attributes that give rise to the desired competitive position. It may also involve dislocation of competitors as brand McDonald's was exported from the US to Europe, and locally Glucon-D was carefully positioned both vis-a-vis competitors and products in the non-competitor range. Therefore, the role of marketing or advertising agency is as good as a doctor. Good advertising or marketing efforts cannot succeed unless the product itself is good. Likewise, a good ad and marketing cannot introduce or maintain a good brand if it is positioned badly.

## 8. Role of Government in Promoting Malted Products

Malted products are made from cereals and grains soaked, germinated, roasted, and dried under controlled procedures. More than 40 raw materials are used for malt production, with barley, wheat, rice, ragi, or millet predominating. The botanical variety, genetic make-up, region of cultivation, and climate influence the kernel's prospects. When the malt is produced and kept in rooms with relative humidity of 47 percent, malt fungus becomes uniformly contaminated. Iodine tests have indicated that alkali malt cannot be mixed with malt from different sources or even those with the same source that were taken when the same supplying stages are collected. After being ventilated, malt cubes are coated with powdered linseed oil, and some are sprayed with a mixture of castor oil and wax, while freshly ground turmeric powder is marked.

India lacks an organized marketing structure. After liberalization in the 1990s, the economic reforms exposed the malt, beverage, and food sectors to global competition with the prospects of menu expansion. Continental, American, and other kinds of ready food are already being offered through a variety of marketing approaches in smaller towns of India. Poor marketing efforts shrink the impact of malted goods made here. A polygamous system for marketing malted meals has been noted. More all-India-based advertising and promotion efforts with a unified approach will improve both growth and reach help in infusing new technologies for modifying food like previous bland, sticky quality tastes and standards. Culinary customers have their own menus. High-temperature roasting for barley improved fragrance and taste, while water-soaking cut the need for rancid oil to close and the flavor of sour dew for finishing malt and germs. Fine firsts can be marketed successfully with package sizes of 5 and 10 kg and a shelf life of about six months. Thus, malted foods will easily manage price and convince the customers to pay.

Food and beverage industries have recommended that principles be developed to regulate and monitor food standards. The Federal Ministry passed the food safety standards bill for overall monitoring of the food chain and to control the upcoming hazards. New laboratory and research centers are urgently required at the national level for unbiased monitoring of the ever-evolving malts. Well-being, sports, and health consciousness are being promoted. New drug discoveries, especially through herbal sources, have led to several new products. Quality malts with no preservatives, pesticides, additives, artificial colors, or flavors, however, most biotechnologies use a common yeast-in-cultured base. It is estimated that over 50 percent of vat products in the market may be floor-dew or malt extracts. Cheap variants may hamper safety improvement.

## 9. Case Studies of Successful Malted Product Brands

Indian malting industry is rapidly growing with the population and lifestyle changes. One variety is malted products which is growing exponentially with the consumer awareness about the benefits one can obtain from malted products. But the marketing of malted products is not high in India so there is a need for an extensive studying in marketing aspect for malted products. Three different companies having malted products have been taken for this painstaking effort. Company industrial information, product specifications, competitive strategy being adopted by these firms and SWOT analysis of the three companies have been carried out for providing better marketing strategy. This study also reveals the firm entry strategies, that is, advertising, sales promotions and public relations plays a major role for market entry in malted product marketing in India (Minten et al., 2011).

The selection of "Branding" topic was based on analyzation of one of the food retail industry in Bihar, India. The local brands that target emerging consumers in Asia are studied. But the research is conducted on makhana which is not a malted product. So keeping the study of "Branding" as

background, it is decided to study the branding of malted products particularly in India, which at present is not analyzed and there is still lot of scope.

#### **10. Consumer Education and Awareness**

Education is a necessity of life. Without education, one cannot survive in this world. In this era of competition, modernization consists of knowledge. It is an essential input for the development of a nation. Education means in a broad sense, the development which consists of capacity, vision, knowledge, understanding and creation of an individual mind and personality (Ahmed, 2016). An educated consumer takes rational decisions in consumption. He can differentiate between better and worse quality malts. Educating consumers on health and nutrition aspects of malted food particularly with reference to protein energy malnutrition (PEM) and space technology could augment children's health and educational attainment. The introduction of nutrition integrated education (NIE) projects in nutrition uncovered different malts sufficient to prevent or cure PEM. As a sequel to it, education on the space input base nutrition policy could help increasing levels of attainment of. The topic on 'health, nutrition and health problems' in the nutrition education programme must be focused on school children in developing nations. Similarly, intact in the health problems of near health villages must be selected for educating on consumer and new technology.

Consumer awareness is very essential to improve sales and profit of malted food products. The consumer has become more aware of the quality, price, weight, quality certificate, less cost, more nutrition. No one is voting in their choices. Many societies do not get due to choice consumers. To create awareness and education about these products, they ought to arrange consumer education programmes. He must be assisted to enjoy his freedom of choice, generally understood as a fundamental rights. This function should cover institution consumer education with social awareness, personal training needs. This education indicates their rights, and duties against society. It is the strong moral duty of producers and marketers to create awareness and education to treat cooperatives malted food industries.

#### **11. Distribution Channels**

Before embarking on a marketing strategy for the malted products, it is essential to get a good touch on channels of distribution. The channels of distribution provide the means to transfer ownership and move products and services from producer to consumer. However, the journey of distribution doesn't end with reaching the retailer. Instead, to earn profits and make the pursuit worth, it is essential for the marketing strategy to focus on strategies of marketing (Saleem, 2017).

Malted products are a source of plethora of nutrients such as protein, energy, vitamins and minerals. Even today, malted products are perceived as a remedy for several public health concerns like anaemia, lack of energy and stamina, etc. The market of malted product has been hitherto an unorganised one in India contrary to its western counterparts where it stole the limelight much before. Malting is the process by which cereal grain, germinate in water, are dried in a kiln, are in many ways the hardest and most unpolished of beers ingredients. It is the basis to almost all beers, in many ways the heart of beer. Barley is the most commonly use malt ingredient in beer, although others like wheat, oats, rye, corn and rice can be used. They can be broadly classified in two categories, malted and un-malted. Malted products prepared out of malted cereals, generally barley, wheat and using elements like sugar, whey, etc. come under malted products. They are drunk on mixing with water, boiling in water and consuming as gruel or porridge as well as eating powder directly mixed with sugar with or without milk. Chose as components, malted powders, on brewing have been observed. Malted products quickly determine the pH of formulated baby foods. Many formulations require little or no extrusion

treatment. Cooked rice flour may be used to help develop the utility of malt and malted products (ANDREW EGEDE, 2013).

It is proposed to hint on thorough understanding of marketing strategies of marketing malted products in local markets considering channels of distribution. This encompasses present marketing strategy of the company followed by discussion on questions of marketing strategy and tentatively pour some light on prospective answers. The ensuing discussion is expected to pitch a few practical dimensions in pursuit of blue oceans in a world full of red oceans.

### **11.1. Retail Distribution**

Distribution of products is a highly organized network that channels goods from producers to consumers. Distribution consists of various functions that have come to be fulfilled by merchants during the passage of goods in the distribution network. However, in India, these functions are performed by wholesale distributors. Retailing is an essential part of distribution in India because an effective means of distributing malting products is needed for large-scale production and processing and will result in their reasonable market prices and increased purchase in retail. The performance of retail shops was measured by choosing samples from four urban centers in India. The retail shops included in the samples belonged to the units that had been in operation for anywhere between six months to more than 20 years. Several kinds of shops were operating in different places, including bakeries, general provision stores, departmental stores, and super markets. The dominance of varieties of malted products marketed by the bakery shops operating in the large urban center and general provision stores in the medium center.

Malted products are distributed by manufacturing units in batch packages of 1.5, 2.5, 100, 1000, and 2000 g. The marketing of malted products includes most of the immediate operation functions, which may be carried out by producing units, traders, co-operating societies, and the government. Manufacturers market their products largely direct to consumers, i.e., through retailers, bakeries, and hotels. In many big retail shops, products are stocked in a glass container with a cover. However, in small-sized and corner shops, the products were packed in bags or jars and shown in a corner of the counter. Wholesaler-cum-retailers of products checked stocks weekly and ordered a fresh supply from the manufacturer in case of any possibility of stockout or shortage of stocks.

The rice flour malted product was most popular among the wholesale-cum-retailers in medium cities and towns, while malted drink powder was less known. The widely stocked malted products kept by the buyers were malted flours. However, large-scale purchases of other malted products such as malted drink powder, malted flour, and malted drink preparation marmalades were also made. Among the malted products stocked by the retailers, malted drink powder was the most popular choice. Further, there exists a necessity for the marketing of malted products on a cooperative basis, which could augment distribution facilities and help develop consumers' interest.

### **11.2. Online Sales Platforms**

The rapid growth of the internet is a revolution in information transfer, which makes communication faster and easier. The internet allows customers to compare prices, and giving a large base of potential customers to suppliers, another important aspect is the level of interaction and participation in terms of design of the online marketplaces. Online sales platforms have evolved significantly with the web since 1995. E-commerce was dominated by a small number of suppliers. In the business-to-business sector, well-known companies created early auction platforms for corporate procurement. Until now, they succeeded in creating a very large value but they capture a very small portion of it. To ensure the functionality of e-marketplaces, a well-accepted standard was missing. The forecast of creating a

massive growth that several market-leading suppliers would make the online sales platform knowledge-compatible was also missed. Most e-marketplace supplies were very conventional in nature and operated lastly. New suppliers apparently only had to put an online order on the web. Despite these problems and disappointments, future sales by online platforms will be further advanced.

Since the early 1990s, many researchers were interested in online marketplaces and relevant theoretical questions. The e-book readers have become a commodity and a standard by a large number of reliable companies. But the internet and e-book readers are not only thought as a huge ticket for big business and big turnover. They open possibilities for almost everyone with a computer to enter the market. Many small and medium enterprises (SMEs) not only have to compete against large firms, but they have also to catch up with the use of this technology. SMBs have a number of advantages, such as access to information. This paper focuses on the use of online marketplaces by SMEs (Hermawan & Murniati, 2017).

## **12. Impact of COVID-19 on Malted Product Marketing**

Before the outbreak of COVID-19, the marketing of malted products was performed face to face in the rural, semi-urban and urban areas with the arrangement of representatives, managers, etc. Meetings, conferences and healthy discussions were organized through schools and villages run by reputed brand companies. Factory visits and retailer visits were also arranged to create an impression on the mind of the consumers and encourage them to buy the packets of malted food. But COVID-19 impacted this marketing approach drastically. Only a few companies could cope with this trend and market their product with limited facilities. Several companies organized meetings to create awareness about the benefit and contribution of malted food to protect the health and immunity of the children. They used telephonic negotiations, site, application, and electronic platforms to deliver needed messages to the stakeholders, i.e., wholesalers, distributors, shopkeepers, etc. This scenario leads to the opportunity to protect the health and immunity of the children by increasing the consumption of malted products and thereby increasing the sales of malted food products (Tarek Chowdhury et al., 2022).

But, on the flip side, bottlenecks also created hurdles in the marketing of malted food. Malt extract consumers are mainly upper lower to upper-class families. But due to pandemic, initially, they suffered from lockdown and odd hours. Since malt extract is a protective foodstuff, people of the lower-income group turned to it when financial independence came with relaxation of lockdown. And the time to which these people switched on malt extract was crucial for the marketing of these food items, as most of these people did not know about malt extract and were unfamiliar with its taste. This kind of problem mostly restricted the outlets of those lower-income groups in the village sides. Consequently, the sales of these food items shifted from the reputed brands to less known brands, which very likely reduced the sales of the large companies. Lesser the brand popularity, plus unavailability and change in preference control how steep the fall was.

## **13. Sustainability in Malted Product Production**

The basic input for malted product production is barley. India has a long history of the cultivation and use of barley. Varieties of barley cultivated in different climatic conditions suit malt production. The malt supply in the country is mostly through indigenous production units. There are about 50 small and medium-sized malt processing units. They are 20 in Punjab, 15 in Haryana, 2 in Rajasthan, 7 in West Bengal, and 4 in Uttar Pradesh. However, the quantity of malt produced by these units is less than their capacity. Many malt houses in Haryana remain totally under-utilized. In Rajputana, malt production is limited to a few months. The rest of the time malting is not undertaken by the malt



houses as well as barley trade is not conducted. In other states too, malt production is not done for the whole year. The production of malted products is not done round the year in North India (D Rohrbach & A B Kiriwaggulu, 2007). No scientific investigations have so far been reported on supply problems of the malt as a raw material. Supply of malt is the most important aspect for undertaking production of malted products. Seasonality of malt supply has led to a declining trend in malted product production by some companies.

The major malted products are Horlicks and Bournvita. The malt supplied for the above products is of good quality if recently made, but in many cases, they are stored for long periods before use. These malts are of different colors either due to late sprouting or excessive kilning or both. The Brennbarley or the malt supplied for Brennbeer, on the other hand, is of pale color and free from starch or dextrinized malt. Brennbarley of good quality is not available. In the absence of good quality malt, the production of malted products is adversely affected. Storage of malt for long periods or its use after six to seven months or over-aging of malt results in poor acceptance and rejected products. Due to instant ready-to-drink drinks being offered by the beverage companies, there is severe competition now (Trivedi, 2015). All the recent malt production units have recently started powdering malt with hammers. In the older units, this operation is done with pizones, which requires more labor and time. Many times, the crushed malt is overheated when subject to steel rolls for extraction.

#### **14. Future Trends in Malted Product Marketing**

Malted food products have been around for a long time, and their marketing is taking shape, based on a strong foundation of research and knowledge. There are many marketing experts based in various market places in India, who have developed massive marketing skills and techniques. Both the marketing strategies and the legal aspects have got the upper hand in marketing fermented products. Because of the potential from marketing angles it is bound to grow in the future, as more and more firms get into the marketing scene. Long-term research along with a good understanding of the qualities of the product in comparison to similar products is a must. The marketing experts should visit retail outlets and try to gain knowledge on the working of the firms' competition.

The competitors in the respective market should be studied, and the firm should have an edge over the competitors in respect to the marketing strategy employed. It is wiser to select locations, where there are fewer competitors. The firm should be security conscious from the beginning as some of the marketing experts consider this field as high-risk business. Competition will be intense and increased customisation of products and approaches will happen. Newer formats will be deployed to enhance accessibility and availability. Bridging of channel might happen to improve profitability, and costs would be better controlled leading to better margins will happen.

Hence, externally analysed variables might lead to multiple shifts over the marketing landscape in the malted food products market. There will be more push by the agriculture departments for promotion and will create a positive environment. The understanding of malted food products will grow as the medical fraternity and doctors, nutrition specialists will start recognising their importance in food and health. The network of marketing of malted food products will go up intensively and aid in creating more public awareness. More market players will enter the segment, who will invest heavily for larger audiences and the product will also be available in the finest retail formats for the easier access of affluent customers.

#### **15. Conclusion**

The existing levels of production, processing, and marketing of malted products are a less emphasized area of small-scale food industries, which are neglected industries. Barley is regarded as a high-value

crop in the range of Rabi crops. Malting refers to the process wherein the barley grains are soaked in water for increasing germination and for a stipulated period which is known as the “Steeping process”. This process is mostly practiced in small-scale industries preferably the “unorganised” sector. Malt is the main ingredient used mainly for brewing beer in hopping activities, in food industries for the preparation of malted milk products or “Malt based” products and also in the manufacture of malt vinegar.

The study area for this was Belgaum, which is situated in the Northern part of Karnataka State, where the malting industry flourishes. As far as processing of malted products, i.e., malt flour, malted coffee, and malt beverages by home-made methods have less significance. In spite of the vast scope for home-made food products, malted products do not attract farmers’ attention. The construction of vapour phase type malt driers may help produce good quality malt at low cost. It is also hoped that these products gain popularity with the consumers as they are nutritionally superior and beneficial for health. A greater marketing effort will also be required to establish these products.

The marketing aspects reveal lesser and neglected levels of organized sector participation. Only two large-sized and reputed cooperative organizations have come forward to market malted coffee in the Tolidata form. The extraction rates and price margins are also unfavourable to food processors. On the whole, the prospects for marketing the malted products appear to be bright. The stakeholders may have to adopt certain measures for the development of this neglected area of small-scale food industries throughout the country.

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