



A Study On Indian Produce Sector

A study to explore the evolving Indian produce sector through emerging consumer trends, policy shifts, and supply chain innovations, identifying new opportunities for direct-to-consumer business models."

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This research explores the strategic transformation of a traditional Indian fruit and vegetable business from a B2B (Business-to-Business) model to an F2C (Farmer-to-Consumer) brand. In light of sweeping reforms in India's agricultural sector—particularly the introduction of the controversial 2020 Farm Bills—the project analyses emerging consumer demands, shifting market structures, supply chain inefficiencies, and branding opportunities to develop a future-facing business model.

The study opens by contextualising India's produce sector, which ranks second globally in fruit and vegetable production (National Horticulture Board, 2020). With growing urbanisation and health consciousness among Indian consumers, there is a notable shift towards organic and traceable food sources (ASSOCHAM-EY, 2018). However, systemic inefficiencies—such as the fragmented APMC (Agricultural Produce Market Committee) system, lack of farmer bargaining power, and logistical hurdles—have impeded the sector's full potential (Singh, 2021).

Market statistics show a growing preference for health and wellness-focused products, accelerated by the COVID-19 pandemic (Financial Express, 2021). Organic fruit consumption is no longer restricted to tier-one cities; it is spreading to Tier II markets as awareness deepens. The study identifies opportunities in niche product categories such as fruit bowls, cold-pressed juices, and fruit-based tourism, drawing inspiration from European models of diversification and value addition.

Moreover, the research integrates consumer psychology and behavioural economics to shape a brand experience rooted in authenticity and sensory appeal. Tactics such as olfactory branding, sonic identity, and taste cues are examined through case studies like Starbucks and Apple, highlighting their relevance in high-end consumer environments (Lindstrom, 2010). The brand's use of transparent sourcing and ethical farming practices is not just a USP (Unique Selling Proposition), but also an ESP (Emotional Selling Proposition), fostering trust and repeat engagement.

The logistics and supply chain analysis underscores the pivotal role of India's evolving infrastructure, such as the Dedicated Freight Corridors (Ministry of Railways, 2021), which now enable faster movement of perishables between production and consumption hubs. Strategic partnerships with aggregators, hyperlocal delivery services, and retail chains further strengthen last-mile connectivity.

The research draws from a multi-layered methodology including desk research, field observations, stakeholder interviews, behavioural insights, and geographic targeting. It demonstrates that consumer choices are now influenced as much by sensory experiences and ethical considerations as by price and accessibility. Urban consumers, particularly in metros like Mumbai and Pune, exhibit a willingness to pay a premium for organic, chemical-free produce, despite a gap in consistent availability and trust in quality claims (FSSAI, 2020; Nielsen, 2019).

From a policy perspective, the 2020 Farm Bills have created both disruption and opportunity. By allowing farmers to bypass mandis (state-regulated markets) and sell directly to buyers, these reforms open pathways for digital platforms and direct-to-consumer supply chains, while simultaneously challenging the traditional roles of APMC traders (Ramesh, 2020). The client in this case—a third-generation APMC fruit dealer—seeks to adapt to this shift by launching a consumer-facing organic brand, “Ambrosia,” positioned for the high-end urban market.

Finally, the project identifies potential for export, especially to the Middle East and the UK, where Indian mangoes and apples command significant demand. Regulatory compliance, such as obtaining an export license and maintaining residue-monitoring protocols, are outlined as essential next steps.

In conclusion, this research offers a comprehensive roadmap for repositioning a legacy produce business into a modern, values-driven brand. By marrying design thinking with market data, behavioural insights, and strategic foresight, the project exemplifies how heritage enterprises can adapt to the demands of a rapidly changing agricultural and consumer ecosystem.