



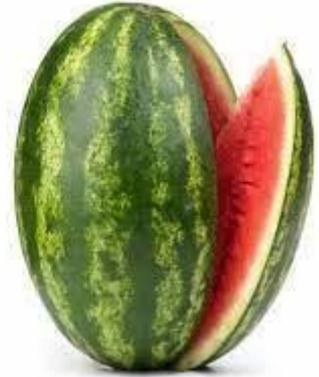
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**Product adoption**  
**Second session**  
**for**  
**Indo German Programme**

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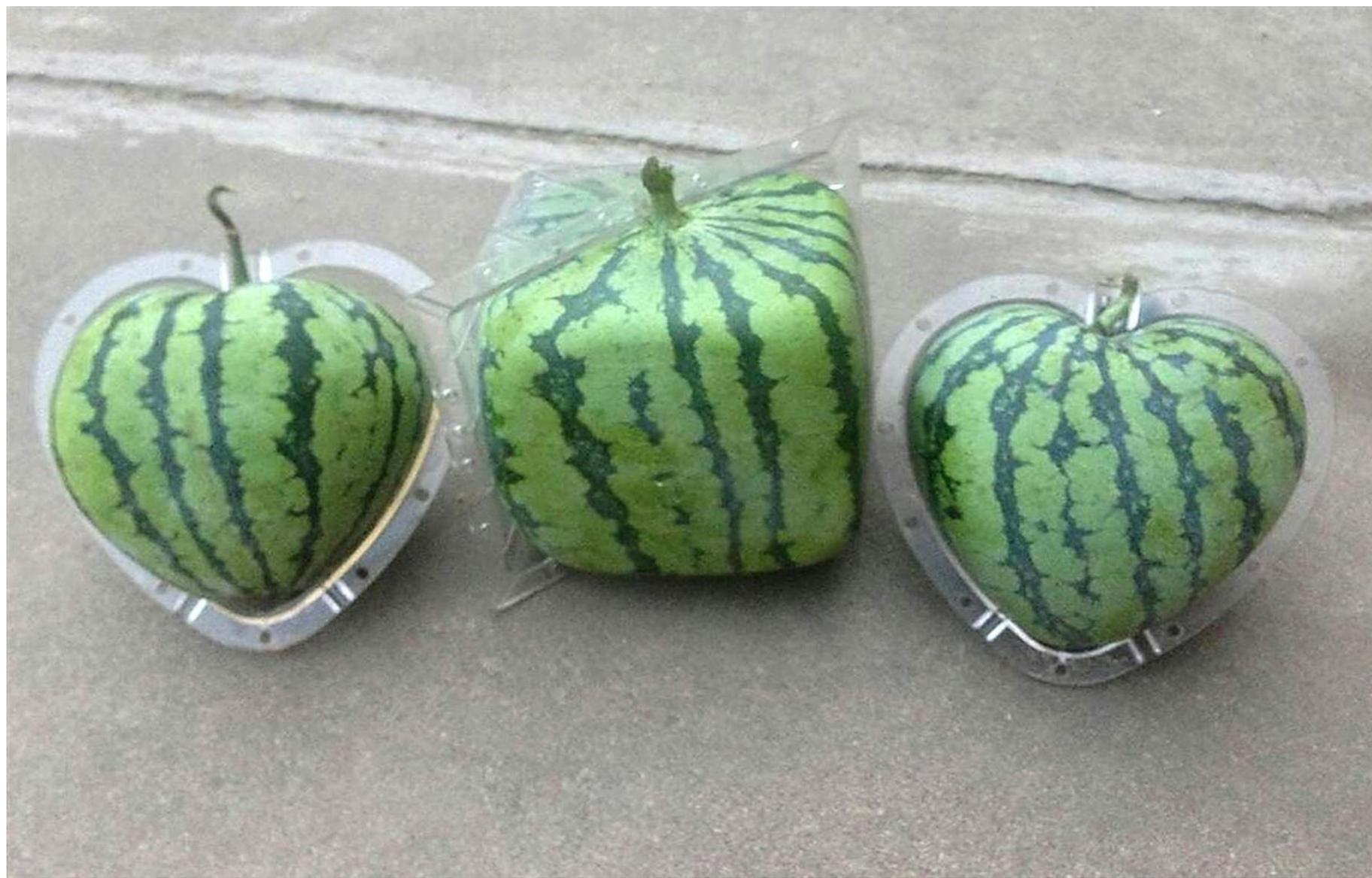
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# What is adoption ?









## The 4 forces influencing a customer switch

Reasons to switch

Problems with  
Current Product

Attraction of  
New Product

Existing  
Solution

New  
Solution

Existing Habits  
& Allegiances

Anxiety &  
Uncertainty of Change

Reasons to stay

# What makes Europe an interesting market for coriander seeds?

Picture 1: Coriander fruit before harvest



Source: Tamil youngsters

Picture 2: Tractor operated coriander threshing



Source: Martiaen Engineering Company

Picture 3: Whole and ground coriander seeds



Source: India|mart

Picture 4: Coriander seeds, macrocarpum variety



Source: Wikimedia common

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- Europe accounts for approximately 15% of the world's total coriander seed imports. European imports of coriander seeds are smaller than those of countries in South and South East Asia, but European demand is stable and growing. Import volumes sometimes fluctuate due to variable production in the main supplying countries. For example, larger imports from non-European Union countries commonly compensate for when Bulgaria, Romania, and Spain have poor crops. Coriander seeds in Europe are sold as spices for the food industry and retail sales, but also as an ingredient in different spice mixtures. Important European users also include the sauces (especially curry) and meat processing industries.

- In the next five years, European coriander seed imports are likely to increase at an annual growth rate between 1% and 2%. Import and consumption growth are forecasted to be driven by the healthy eating trend, the increasing interest in non-European cuisines (such as different Asian curries and stews) and significant usage of coriander seed as an ingredient in the food processing and essential oils industries. Another consumption driver is the increasing interest in traditional medicine (such as Ayurveda) and aromatherapy, where coriander seeds and essential oils are used as natural remedies.

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- What makes Europe an interesting market for cumin seeds?

- Europe accounts for approximately 10% of the world's total cumin seed imports. European consumption of cumin seeds is smaller than that of countries in South Asia, Turkey, North Africa and Middle East, but demand is growing. Cumin seeds in Europe are used in the food industry and for retail sales, but also as an ingredient in different spice mixtures. Important European users are ethnic restaurants, but also the cheese and meat processing industries.

- In the next five years, European cumin seed imports are likely to increase at an annual growth rate of around 5%. Import and consumption growth are forecast to be driven by the healthy eating trend (such as veganism) and the increasing interest in non-European cuisines (such as Asian curries and stews). The development of the food industry and new product launches will also support the consumption of cumin.

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# Diffusion

- In consumer behavior terms, refers to research on the consumer acceptance of new products and services
  - Involves understanding two closely related processes:
  - **Diffusion:** a *macro* process concerned with the spread of a new product--an innovation--from its source to the consuming public
  - **Adoption:** the *micro* process concerned with the stages the consumer goes through in deciding to accept or reject a new product
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- Which European countries offer most opportunities for coriander seeds?
- As Europe's main importer of coriander seeds, the United Kingdom is an interesting focus market. Germany is an important consumption market, especially the country's large food processing industry. The Netherlands, France and Austria are other markets with increasing imports and consumption. Poland serves as a trade hub for the supply of coriander seeds from Russia and other East European countries.

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- **Which European countries offer the most opportunities for cumin seeds?**

- As Europe's main importer of cumin seeds, the United Kingdom is an interesting focus market, because of high curry consumption and a highly developed curry industry. Germany is an important consumption market, especially in the fast-food Turkish style restaurants, but also in the organic segment. The Netherlands is the leading trade hub, but also the largest consumer of cumin as an ingredient in cheese. France and Poland are other markets with increasing import and consumption.

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# 1. Purchase time

- Refers to the amount of time that elapses between a consumer's *initial awareness* of a new product or service and the point at which he or she purchases or rejects it
  - Important because is a predictor of the overall length of time it will take for the product to achieve widespread adoption
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- The United Kingdom: Europe's largest market
  - The United Kingdom is the largest European market for coriander seeds, accounting for approximately 30% of all European imports. British coriander seed imports reached a record 7 thousand plus tonnes in 2017, but dropped to 5.8 thousand tonnes in 2019, worth €8.4 million. Nearly 60% of the UK's coriander seed imports concerns crushed or ground seeds, the remaining 40% being whole coriander seeds, which is different from other European countries where whole seeds dominate the trade.
  - In 2019, a 55% share of Britain's coriander seed imports came from India, followed by Bulgaria (9%), Russian Federation (9%), Poland (5%, mostly re-exports) and Argentina (4%). Other emerging suppliers to the UK include Morocco, Syria and Turkey. Over the last 5 years, the Russian Federation gained the most market share, increasing coriander seed exports to the United Kingdom by five times, from 100 tonnes in 2015, to more than 500 tonnes in 2019. On top of that, Poland re-exports another 150-200 tonnes of coriander seeds of Russian origin to the UK per year.
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Picture 5: Example of private label coriander seeds in the United Kingdom (Tesco)



Source: Tesco

Picture 6: Example of curry paste with coriander seeds as ingredient (Patak's)



Source: Tesco

Picture 7: Example of ready-to-eat soup with coriander seeds as ingredient in the United Kingdom (Sainsbury's)



Source: Sainsbury's

Picture 8: Example of independent brand of coriander seeds in the United Kingdom (East End)



Source: Amazon

# Germany: coriander seeds for sausages

Picture 9: Example of coriander seed brand in Germany (Fuchs)



Source: Amazon

Picture 10: Example of Asian curry powder brand in Germany (Lien Ying)



Source: Edeka

Picture 11: Example of curry ketchup brand in Germany with coriander as an ingredient (Hela)



Source: Hela

Picture 12: Example of dried spice mix with coriander as an ingredient (Kaufland)



Source: Author

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## ■ Tips:

- Learn more about the European seeds market on the websites of national associations, such as Seasoning and Spice Association (United Kingdom), German Spice Association, Polish Chamber of Commerce, Royal Dutch Spice Association, National Union of Pepper, Spices, Herbs and Vanilla Processors (France) and the Austrian Chamber of Commerce.
  - Consider investing in French speaking staff for easier penetration into the French market of coriander seeds. French companies prefer to communicate in French language.
  - See our study on Market Statistics and Outlook for Spices and Herbs for more information and general developments in the European spices sector.
  - Check trade statistics of your specific interest on tools such as the ITC's Trade Map and the European Commission's Trade Helpdesk.
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## Example of a cheese brand with cumin in the Netherlands



# Apricot preserve with cumin in France



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## ■ Tips:

- Learn more about the European seeds market on the websites of national associations, such as the Seasoning and Spice Association (United Kingdom), the German Spice Association (Germany), the Polish Chamber of Commerce (Poland), the Royal Dutch Spice Association (the Netherlands), the National Union of Pepper, Spices, Herbs and Vanilla Processors (France) and the Spanish Association of Processors and Packers of Spices and Seasonings (Spain).
  - See our study on Market Statistics and Outlook for Spices and Herbs for more information and general developments in the European spices sector.
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## 2. Adopter categories

- Involve a classification scheme that indicates where a consumer stands relative to other consumers in terms of when they adopt a new product (i.e., time)
  - Five categories identified in research:
    1. Innovators
    2. Early adopters
    3. Early majority
    4. Late majority
    5. Laggards
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# What trends offer opportunities on the European coriander seeds market?

- Harissa - A Tunisian condiment in the form of a paste made of chilli peppers and several other spices, including coriander seeds. Harissa is now included in the regular assortment of most leading European retail chains. Although also produced by European companies, imported harissa is the preferred choice for European consumers, such as the leading Tunisian brand Du Cap Bon.
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# What trends offer opportunities on the European coriander seeds market?

- Ras-el-hanout - A blend of several spices from North Africa, especially popular in Moroccan cuisine. There are many different recipes for ras-el-hanout, but almost all contain coriander seeds. Until recently, ras-el-hanout was mainly sold in ethnic shops in Europe, but several European spice companies have added it to their assortments.
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The examples below show a few products containing coriander seeds as an ingredient in the European market. Keep in mind that some traditional European spice mix brands also use coriander seeds as ingredient, such as France's Épices Rabelais, and Italy's La Saporita.

Picture 13: Example of private label brand of dukkah mixture (Tesco)



Source: Tesco

Picture 14: Example of ras-el-hanout spice mix in the Netherlands (Euroma)



Source: Euroma

Picture 15: Example of private label garam masala mix in Germany (Rewe)



Source: Rewe

Picture 16: Example of coriander seeds sold as a spice in Ayurveda approach (Kaufland)



Source: Ayurveda 101

# What trends offer opportunities on the European cumin seeds market?

- Popularity of Asian, African and Middle Eastern cuisines
- Curry - Originally described as a type of dish prepared by stewing a variety of vegetables and meat in a sauce that contains a complex combination of spices. There are many varieties of dishes called 'curries' with cumin powder, coriander powder and curcuma as the main ingredients. Inspired by curry dishes, many European spice companies created their own spice mixes, with cumin seed powder as a regular ingredient. Those mixes are commonly called 'curry powder' or simply 'curry'.
- Garam masala - A powdered spice mix, originally from South Asia, without a standardised recipe. However, similar to curry powder, most garam masala spice combinations contain ground cumin seeds. Almost all European spice companies sell garam masala in retail-branded packaging, including a range of private label packs.

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- Turkish meat dishes such as kebab (grilled meat), köfte (meatballs), sucuk (sausage) use cumin as one of the important ingredients in spice mixes.

- Falafel is a deep-fried ball made mostly from ground chickpeas, but it can be also made from broad beans or fava beans, and it is often prepared with cumin as one of the spices. The popularity of falafel is increasing across Europe, especially driven by the veganism trend. Although falafel is considered a national dish in several countries (for example Egypt, Lebanon, Palestine, and Israel), it is now served in non-ethnic restaurants too, especially in vegan and vegetarian restaurants.

- Dukkah - A mix of toasted nuts, seeds, and herbs originally from Egypt. It is mostly used as a dip with bread. The dukkah mix normally contains cumin seeds as an ingredient. Several European companies and a few large retail chains recently launched dukkah blends.



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# Opinion leaders

- Opinion leaders are most likely to be found among the *early adopters* category
  - Opinion leadership is the process by which one person--the opinion leader--*informally* influences the actions or attitudes of others
  - The key characteristic is that it takes place between two *individuals*, neither of whom represents a commercial selling source and is thus considered more reliable
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# Segments and characteristics for fresh chillipeppers

## Conventional segment

- **Outlets:** Supermarkets, hypermarkets, grocery stores
- **Common types:** Cayenne (long red), local varieties (capsicum Annuum)
- **Niche types:** Habanero, Jalapeño, Madame Jeanette
- **Quality:** Class I, organic, sustainable, pesticide-free

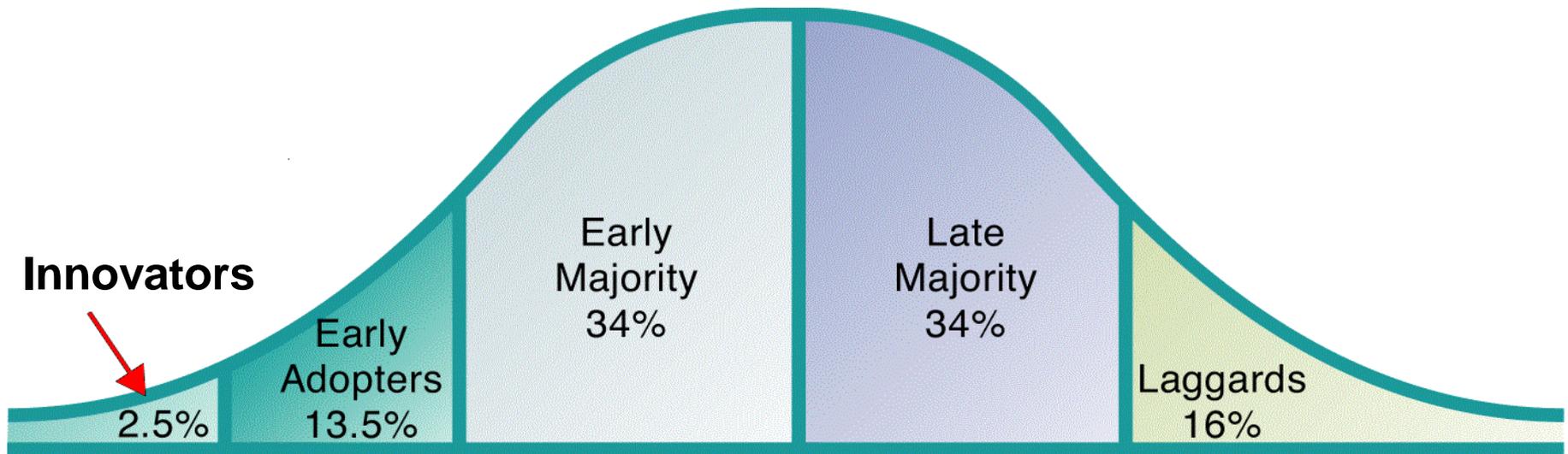
## Specialised / ethnic segment

- **Outlets:** Restaurants, ethnic stores, street markets
- **Common types:** Bird's eye (Thai), African Bird's eye, Habanero, Scotch Bonnet, Bhut Jolokia, Jalapeño
- **Niche types:** Ají Amarillo, Rocoto
- **Quality:** Class I and II, taste, fresh

## Example of chilli peppers presented in a Dutch supermarket



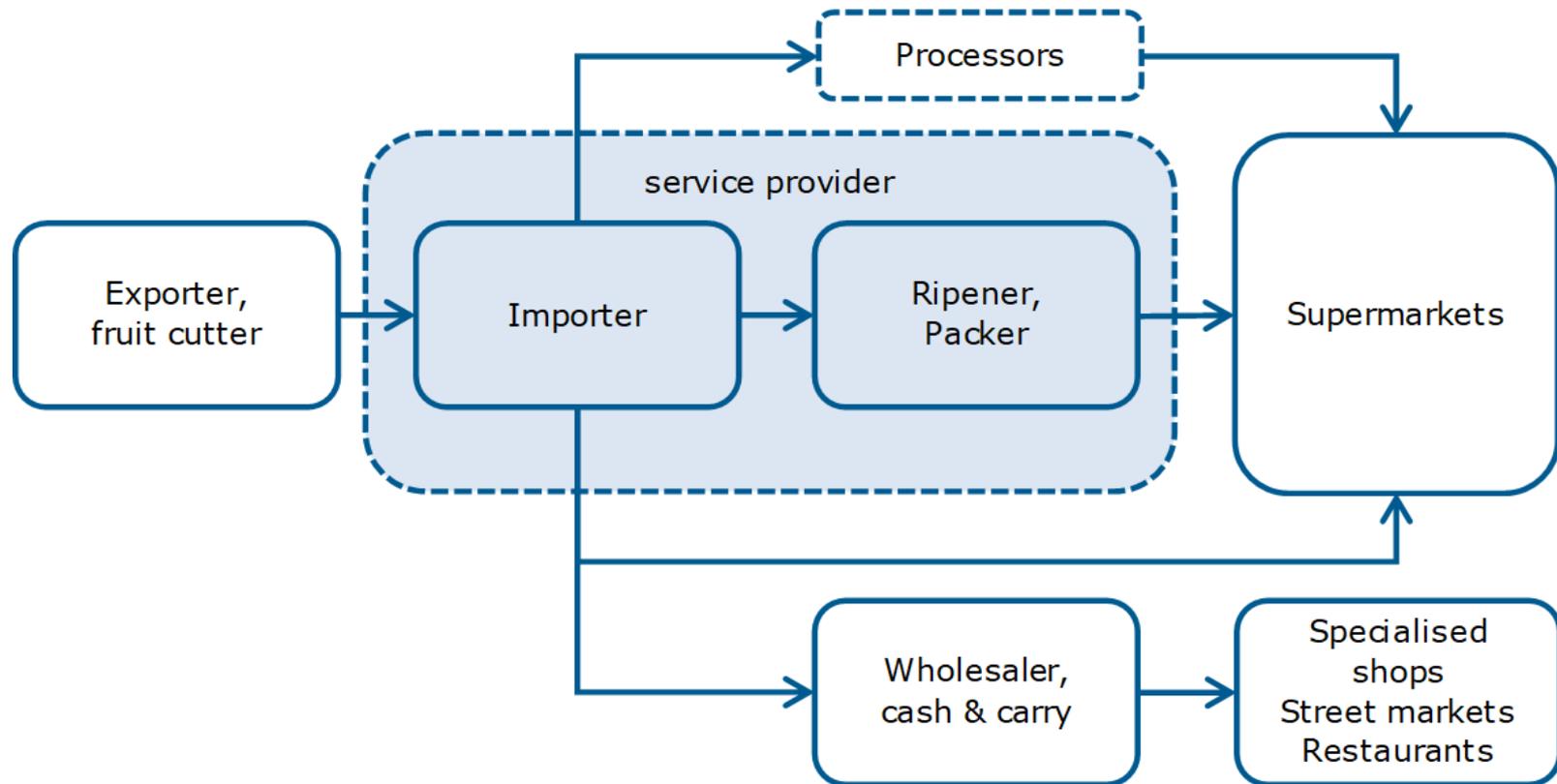
# Time and the Adopter Categories



Adopter Categories Based on Innovativeness



# Market channels for mangoes



# Mango with quality 'Extra' Class, Class I and Class II (from left to right)



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## 3. Rate of adoption

- How long it takes a new product or service to be adopted by members of a social system
  - Rate of adoption generally is becoming *faster*
  - Diffusion of products *worldwide* is becoming more rapid as well
  - Marketers generally desire as fast a rate of adoption as possible in order to dominate a market before competitors enter
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# Ginger-curcuma shot with Demeter certification



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# Growing popularity of ethnic cuisines

- The demand for ethnic food in Europe is rising. Since dried ginger is an important ingredient in Asian dishes, it is becoming increasingly popular on the European market.
  - Examples of Asian recipes that are popular in Europe and that contain ginger are:
  - Hot meals such as 'Ginger and Hoisin Glazed Pork' and 'Ginger Beef Stir-fry';
  - Snacks such as ginger cookies, often consumed during the Chinese New Year.
-

Consumers who enjoy discovering new flavours, new cuisines, and exotic products, are also driving this development. This goes hand in hand with some other developments, such as:

- An increase in global relations and communications. In the past decade, more Europeans travelled to Asian destinations and more foreigners came to Europe each year. Due to the COVID-19 pandemic, people travelled less in 2020. But consumers' desire for exotic flavours only grew, and people increasingly searched for ingredients for that 'exotic effect' in cooking.
- Growing consumption of so-called 'superfoods'. Superfoods are functional ingredients with a particular benefit and ginger is considered to be one of them.
- Ongoing popularity of TV cuisine programmes or social media influencers like Master Chef encouraging cooking at home and experimenting with different products.
- The increase of Asian (managed) restaurants Europe, which results in an increase of Europeans becoming acquainted with Asian dishes and flavours.
- Growth in the multicultural population in Europe. In 2014, 20% of immigrants to Europe were of Asian descent, while in 2020 this share increased to 23%.

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# “Skimming”

- Sometimes marketers don't seek a rapid rate of adoption
  - Making the product available at a very high price to consumers who are willing to pay top dollar, then gradually lowering the price over time for additional segments of the market
  - Permits manufacturers to recover development costs more quickly
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# Use and classification of turmeric in health products

<b>Food supplements</b>	<p><a href="#">Turmeric root is allowed in food supplements. It is included in the positive lists for Germany and BELFRIT (Belgium, France and Italy).</a> Turmeric essential oil is also listed in BELFRIT.</p>
<b>Herbal medicinal products</b>	<p>Turmeric is allowed on the European market as it is listed in European Pharmacopoeia monograph <a href="#">#2543</a>: <i>Curcuma longa</i> rhizome.</p> <p>Its use in herbal medicinal products is described in the Community Herbal Monograph on <a href="#">Curcuma longa rhizoma</a>.</p>
<b>Chemical Administration Service number</b>	<p>84775-52-0 (turmeric) 458-37-7 (curcumin)</p>
<b>European Community Number</b>	<p>283-881-2</p>
<b>Harmonised System code for trade in turmeric:</b>	<p>0910.30: 'Turmeric (curcuma)', as raw material (root/powder). Turmeric extract is traded under: 1302.19: 'other vegetable saps and extracts'</p>

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# The adoption process

- Series of stages the consumer moves through in arriving at a decision to purchase or reject a new product
  - Five stages include
    1. Knowledge/awareness
    2. Persuasion/interest
    3. Decision/evaluation
    4. Implementation/trial
    5. Confirmation/adoption (rejection)
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# The leading importers of turmeric in Europe, 2017-2021

2021	'000 Tonnes	average annual change (2017-2021)	million EUR	average annual change (2017-2021)	Main suppliers (% of 2021 volume)	Import Market Players
<b>UK</b>	7.1	8.3%	11.5	2.4%	India (91.0%)	<a href="#">Pukka Herbs</a> , <a href="#">ving</a> , <a href="#">oods</a>
<b>Netherlands</b>	6.8	12.5%	12.1	10.1%	India (45,3%), Peru (29.4%)	<a href="#">Tradin</a> , <a href="#">Organ</a> , <a href="#">ward</a>
<b>Germany</b>	6.4	7.7%	14.0	5.9%	India (78.1%)	<a href="#">Wack</a> , <a href="#">Chem</a> , <a href="#">ay, B</a> , <a href="#">Import</a> , <a href="#">Europ</a> , <a href="#">Behr</a> , <a href="#">GmbH</a> , <a href="#">da Na</a>
<b>France</b>	2.5	3.7%	6.1	-0.2%	India (63.4%)	<a href="#">Nexin</a> , <a href="#">umax</a>

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# Resistance to adoption

- Researchers have identified five factors that may result in consumers' failure to adopt a new product
    1. Value barriers
    2. Usage barriers
    3. Risk barriers
    4. Tradition barriers
    5. Image barriers
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# Thanks

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