

EXPLORING GLOBAL EXPANSION TRENDS AND STRATEGIES IN THE FOOD AND BEVERAGE INDUSTRY: A COMPREHENSIVE ANALYSIS

DR. RAJI RAJAN

<https://orcid.org/0000-0002-8590-4054>

Assistant Professor, School of Commerce, JAIN (Deemed-to-be University), Bengaluru,
Karnataka, India

rajirajan0811@gmail.com

VINUTHA N. V.

Assistant Professor, School of Commerce, JAIN (Deemed-to-be University), Bengaluru,
Karnataka

BRINDHA L.

Assistant Professor, School of Commerce, JAIN (Deemed-to-be University), Bengaluru,
Karnataka

SHEFALI SHUKLA

Assistant Professor, School of Commerce, JAIN (Deemed-to-be University), Bengaluru,
Karnataka, India

DR. SHRUTI MISHRA

<https://orcid.org/0000-0002-5131-4101>

Assistant Professor, School of Commerce, JAIN (Deemed-to-be University), Bengaluru,
Karnataka, India

ABSTRACT:

This article articulates the dynamic perspective of global business expansion in the food and beverage (F&B) industry. The previous research focused on major factors such as sizable consumer market, low risk, promotional activities that directly influence global expansion decisions by companies. The dominant explanation for this trend is the interest of customers on foreign goods over domestic goods. The major factors that have an impact are urbanization and food industry marketing. Against this background, the study provides a constructive evaluation and analysis of current trends driving global expansion, the strategies employed by companies to expand globally and also the study focuses on the impact of global expansion on the sustainability practices of companies in the F&B Industry. This paper provides an expansive view of the current trends which has a significant impact on the dynamic requirements of this industry. The companies employ a variety of strategies, including distribution plans, product changes, market entry strategies, and marketing and branding campaigns, to expand their global

reach. Understanding these strategies is essential for companies in the F&B industry hoping to expand globally. Businesses need to implement sustainable practices at every level of their operations, from production and procurement to marketing and distribution. Businesses may lessen their environmental effect, promote social progress, and uphold the highest standards of ethics in their operations by doing this. Through the overall findings of this study the F&B companies can accelerate the process of global expansion in this industry and take advantage of openings and overcome obstacles in the international marketplace.

KEYWORDS: Food and beverage industry, Global Expansion, trends, sustainability, international business, Strategies

INTRODUCTION:

Food and beverage (F&B) multinational enterprises (MNEs) have the capacity to integrate innovation from diverse geographic and scientific sources into their international network. These comparative advantages help to give tenacious inventors a significant advantage over their competitors. The F&B service industry has experienced a great deal of activity over the past five years, including some very interesting emerging ideas, services, and innovative service delivery methods. Homemade has changed the way the F&B sector operates, leading to an increase in regional revenue and better understanding of consumer behavior.

The global F&B market is expected to develop at a compound annual growth rate (CAGR) of 5.99% between 2022 and 2028, when it is valued at approximately \$7,464.3 billion. A rise in shopping malls, out-of-town retailing parks, and retail stores, along with changing consumer preferences, are all contributing to the growth of the food and beverage business. Food Navigator projects that the US market for natural and organic food and beverage sales will grow from \$300 billion to \$400 billion by 2024 and \$400 billion to \$400 billion by 2030. The market will grow during the 2022–2028 forecast period as a result of the high demand for nutritious foods and drinks. The creative, healthful, and delicious meals and drinks that are popular in the worldwide F&B sector.

The global F&B market is composed of several products such as alcoholic and non-alcoholic drinks, grain-based drinks, bakeries and confectionery, dairy food, and others. In addition, the market is expanding as a result of the "try it" movement, the innovative product launches made by leading companies, and their global presence. With an estimated \$93 billion in revenues, Nestle leads the food and beverage market, according to the Forbes 2022 report. Pepsico is ranked second. Nestle announced in February 2022 that it will acquire the majority of the shares of Orgain, a pioneer in plant-based nutrition. Additionally, Anheuser-Busch InBev SA, one of the leading international corporations, invests \$50 million in the St. Louis brewery located in the United States. The introduction of novel products and the growth of significant market players are contributing factors to the F&B Global Industry's projected expansion between 2022 and 2027.

In this modern world, consumers are well-informed about the connection between their health and the planet's core values. The main obstacle to promoting environmentally friendly and sustainable activities is creativity and thoughtfulness to get informed about the newest products and services available in the industry. The strategically important circumstances of the business determine six of the seven essential elements of success that have been recognized for an organization: environmental sustainability product/service development, management and process monitoring, leadership and commitment to strategy, communication and training, and continuous improvement. These factors are achieved through continuous enhancement of processes and products. However, there is a crucial focus aspect because stakeholder relations are now largely centered around final consumers' interests at the detriment of other stakeholders (Purcidonio, P. M., Grillo, N. M. L., & Alarcão, V. D. C. C., 2020).

LITERATURE REVIEW:

B. K. Luan, S. M. Lee, and G. K. Bae (2023) the findings of this study showed differences in the elements of ESG attributes that tourists to Jeju Island identify as being connected to Jeju-based F&B businesses that employ ESG management, and these elements' direct effects on confidence in brands and word-of-mouth (WOM). U. R. Jayathilaka (2022) the aim of this study was to identify the variables that influence the choice of host country in the process of selecting an international market. The findings showed that when choosing a host nation, F&B companies sought out one with a sizable consumer market potential as well as a low risk. Interestingly, the proximity of potential host nations has an impact on the foreign markets that F&B companies choose to enter (Abd Aziz, N. A., Ramdan, M. R., Nik Hussin, N. S., Abdul Aziz, Z., Osman, J., & Hasbollah, H. R., 2021). The paper focuses on Malaysian franchisors' experiences, this study attempts to investigate the factors that influence worldwide expansion. Four themes were found, and nine sub-themes were found from the grounded data, according to the findings. Telukdarie, A., Munsamy, M., & Mohlala, P. (2020) this study article examines international literature and conducts a high-level knowledge classification with the goal of accelerating awareness, information exchange, and—above all—quantifying an accelerated reaction in the South African F&B manufacturing industry. Hecht, A. A., Perez, C. L., Polascek, M., Thorndike, A. N., Franckle, R. L., & Moran, A. J. (2020) the study indicates that retailer marketing tactics, including price promotions and prominent positioning, boost sales, even though it is difficult to compare studies across different ones. Motwani, A. and Rajan, R (2020) state that due to widespread lockdowns caused by the Covid-19 epidemic, the sector experienced a significant decline. Safety precautions, hygiene, and social distancing are now common practices in the food and beverage industry. The problems, impacts, and potential solutions of the sector are examined in this article, which outlines the considerable operational changes necessary to survive and grow.

Boso, N., Adeleye, I., Ibeh, K., and Chizema, A. (2019) studies to examine the potential for African firms to grow internationally. These opportunities include faster development of the

private sector, regional integration, and the capacity to close institutional gaps. The potential risks of growing globally involve compromising concentration on home markets and over-internationalization, as well as challenges like limited management and cross-cultural capabilities, competitiveness globally, and overcoming the liability of being African.

Zim, Z. S., & Zahan, M. (2019) the article provides a detailed examination of how the process of internationalization has altered industry dynamics, taking into account how local companies are vying for market share against the aggressive expansion strategies of multinational firms. The results of Widodo, S. (2019) show that certain food commodities are less competitive even while the beverage industry—which is dominated by beer, spirits, and alcoholic and soft drinks—is trending upward.

Abubakar, I., & Isa Mohammad, H. (2019) the study looks at the connections between competitive advantage and product line strategies in the Nigerian F&B sector. The study's conclusions showed that all four of the hypotheses were validated, indicating that product line strategies significantly impact the competitive advantage of Nigerian F&B enterprises.

Lazaris, M., & Freeman, S. (2018) the paper studies a direct comparison, we concentrate on the F&B industry, which is a relatively low-technology, knowledge-intensive industry. This study adds to the understanding of the global mindset's unbreakable hold on SMEs' internationalization efforts and demonstrates how management cognitions might help them get past the knowledge and resource barriers needed to join and compete in global marketplaces.

Ekhayemhe, J. A. (2017) this study employed competitive advantage as a stand-in for marketing performance. This study employed the cross-sectional survey research design approach. The study concluded that before deciding to enter the global market, it is important to do a firsthand analysis of both internal and external elements. Rama, R. (2017) the paper studies on the benefits of innovation in terms of growth, internationalization, competitiveness, and less contentious relationships with local stakeholders. It is important for policymakers to consider that mechanisms related to innovation can lead to imperfect markets for F&B.

Kearney, J. (2010) the paper aims on the policies of trade liberalization over the past 20 years that have an impact on health which is linked to an increase in obesity and chronic diseases. Other factors that have an impact on health include urbanization and food industry marketing. Lynch, R. (2006) aims to understand in the initial phase, 400 announcements on these tactics from medium- and large-sized F&B companies between 1998 and 2001 were evaluated. The second phase looked closely at the foreign expansion plans of the top 35 F&B firms worldwide between 1985 and 2001. Both phases demonstrated that the most popular strategy for global expansion was acquisition.

OBJECTIVES:

- 1.To investigate the current trends driving global expansion in the F&B industry.

2. To analyze the strategies employed by F&B companies to expand globally.
3. To identify the impact of global expansion on the sustainability practices of F&B companies.

METHODOLOGY:

Area and Scope of the Study: The article might offer a look ahead at potential trends and advancements in the F&B industry's worldwide expansion strategy, taking into account the influence of political upheavals, changing consumer preferences, and developing technologies. It might also look at the many approaches that F&B companies take to enter the market, including exporting, licensing, franchising, establishing wholly-owned subsidiaries, and forging strategic partnerships, and assess the benefits and drawbacks of each strategy.

Data Collection: Academic journals, official government publications, industry reports, websites, databases, books, and other reliable sources are all included.

Limitation of the study: The study's conclusions might only apply to particular areas of the F&B (fast food, organic goods, etc.) and not to other areas. The research methodology used in the study, such as secondary data analysis, may have limitations that impact the scope and depth of the analysis. Because the data and analysis could be centered on a particular time period (2018-2023), they might not take into account more recent advancements or trends in the F&B sector.

FINDINGS AND INTERPRETATION:

1. Investigate the current trends driving global expansion in the F&B industry

In light of a number of significant trends that are reshaping the market, the F&B business is rapidly expanding throughout the world. Among other things, these trends are having an impact on regulatory reforms, technology advancements, and consumer preferences. In order to capitalize on possibilities and address challenges in the global market, businesses in the F&B industry need to be aware of these trends.

- a. **Shifting Customer tastes:** A major factor propelling the F&B industry's worldwide growth is the evolution of consumer tastes. Demands for natural, sustainable, and healthier food and drink options are rising among consumers. Clean label, plant-based, and organic product sales are on the rise as a result of this trend. A recent analysis by Grand View Research projects that the global market for organic food and beverage products will grow at a 16.3% CAGR to reach \$320.6 billion by 2025.
- b. **Accessibility and On-the-Go Utilization:** Due to hectic lives and rising urbanization, there is a growing need for quick and easy to grab food and drink options. Products that can be rapidly and easily consumed, like snacks, meals, and beverages, are growing in popularity due to this tendency. According to a Research and Markets study, the ready-to-

drink (RTD) tea and coffee market is anticipated to grow at a CAGR of 5.9 per cent to reach \$116.13 billion by 2024.

- c. **Digitalization and E-Commerce:** Global expansion in the F&B sector is also being propelled by its digitalization. Customers can now more easily acquire a large range of food and drink items from around the globe thanks to e-commerce platforms. Direct-to-consumer (DTC) strategies have become more popular as a result of this development, which has given firms access to new markets. Global e-commerce sales of F&B are expected to exceed \$475 billion by 2026, according to Statista.
- d. **Safety, Health, and Fitness:** The growing focus on well-being and health is driving the need for multipurpose and enhanced F&B products. Products with particular health benefits, including probiotics, vitamins, and antioxidants, are what customers are looking for. Solutions for tailored nutrition are also emerging as a result of this trend. The global multi-dimensional F&B market is anticipated to reach \$275.78 billion by 2025, growing at a CAGR of 7.9%, per a Research and Markets analysis.
- e. **Effective Sustainability Concerns:** In the F&B industry, sustainability is having a bigger impact on customer behavior. Customers are looking for goods that are made ethically and sustainably because they are becoming more concerned about how food production affects the environment. This trend is forcing businesses to adopt more ecologically friendly packaging, waste management, and procurement practices.
- f. **Trade agreements and modifications to regulations:** Trade agreements and regulatory reforms are also shaping the global expansion of the food and beverage industry. Modifications to laws pertaining to security of food, labeling, and packaging may have an effect on how businesses conduct business in various marketplaces. Trade agreements that lower tariffs and trade barriers can also create new business opportunities.

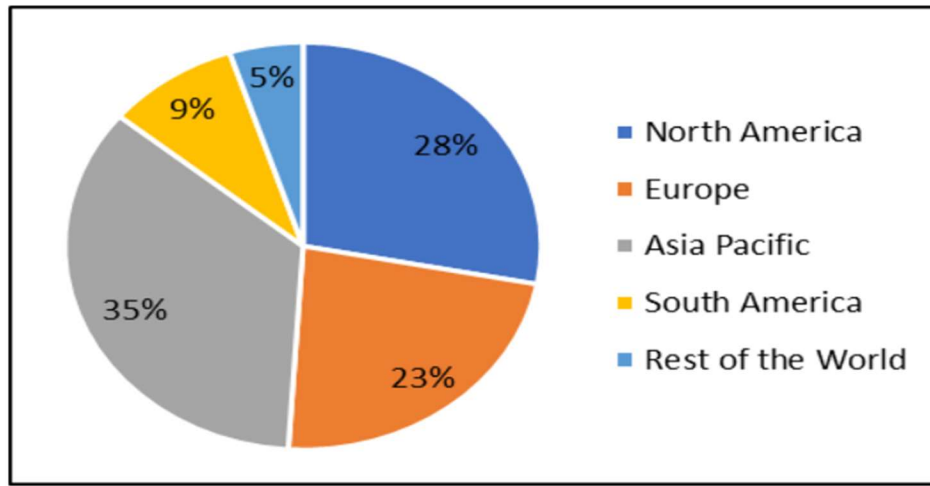
The following F&B market segments are examined in-depth in the IndustryARC report "Food & Beverages Market Report - Forecast (2022-2027)". The F&B industry is a broad industry with a wide range of goods and methods of distribution. The production process and environmental impact of conventional and organic products are the primary distinctions between them. Product categories include baked goods, pet foods, and alcoholic beverages. Geographically speaking, the industry is spread over areas with distinct market conditions, such as Asia Pacific and North America. Due to the innovative nature of this industry and its global reach, businesses must adapt their tactics to suit specific markets. Achievement in the F&B sector requires an understanding of these dynamics.

The world's market proportion of F&B by area in 2021 is displayed in a pie chart. At 35% of the market, Asia Pacific holds the highest share. This may be brought on by the region's sizable and expanding population along with the rising popularity of processed and convenient cuisine. North America is behind with 28%. This area boasts a thriving food and beverage sector together

with high levels of discretionary income. Europe comes in right behind at 20%. The market share reflects the reputation of Europeans for appreciating fine food and drink. With 10% and 23% of the market share, respectively, South America as well as the remaining nations of the World have lesser shares.

Figure 1: Food and Beverages global market share by region, 2021

Food & Beverages Global Market: Market Share (%) by region, 2021



Source:<https://www.industryarc.com/Research/Food-And-Beverages--Global-Market-Research-513301>

Over the course of the projection period, 2022–2027, the Natural segment is anticipated to grow at the fastest rate of 6.4%. This is because consumers are becoming more conscious of the negative effects of herbicides and pesticides used in traditional farming practices. The majority of consumers favored organic F&B due to the conventional food's better nutritional value and associated health benefits. Sales of organic and sustainable food and beverage products are predicted to reach \$400 billion by 2030 and \$300 billion by 2024 in the US, according to a survey by Navigator. The market is expected to grow during the 2022–2027 forecast period because of the substantial demand for natural foods and drinks. Businesses in this industry need to stay abreast of these advancements to seize opportunities and get past barriers in the global marketplace.

2. Analyze the strategies employed by F&B companies to expand globally

For many F&B companies seeking to gain access into new markets and spur growth, going global is a strategic decision. These businesses use a range of tactics to increase their worldwide reach, such as distribution plans, product modifications, market entry tactics, and marketing and

branding initiatives. It's critical for businesses looking to grow internationally in the F&B sector to comprehend these tactics.

A) Strategies for Entering the Market:

- i. **Exporting:** For F&B firms, this is one of the easiest methods to get into a new market. Selling goods made in one nation to consumers in another is the goal of this tactic. Businesses can decide whether to export directly or through middlemen like distributors or agents. Through exporting, businesses can explore unfamiliar markets without having to commit large sums of money.
- ii. **Joint Ventures and Partnerships:** Establishing collaborations or partnerships with regional businesses is another popular tactic for international expansion. By using this tactic, businesses can benefit from the local partner's understanding of the marketplace, distribution channels, and legal framework (Hill, Charles W. L., et al. 2018). Partnerships and joint ventures can also assist businesses in bridging cultural gaps and cultivating connections with regional stakeholders.
- iii. **Foreign Direct Investment (FDI):** A few F&B companies decide to use FDI to open a physical location in a new market. Establishing production plants, distribution hubs, or retail stores in the intended market may be necessary to achieve this. Businesses can better serve local clients and have a greater influence over their operations thanks to FDI (Dunning, John H. 2000).
- iv. **Franchising:** Another well-liked method of breaking into the F&B industry is franchising. Giving a franchisee permission to run a business utilizing the company's name, merchandise, and business plan is known as franchising. Because franchisees pay the development and running costs of new locations, franchising enables businesses to grow quickly with a minimal initial investment.

B) Product Modification:

- i. **Localization:** F&B companies frequently modify their goods to accommodate regional tastes and preferences when they enter new markets. Adapting ingredients, flavorings packaging, or size of portions to better suit the local way of life could be necessary for this. For instance, in order to accommodate local tastes, McDonald's offers a variety of menu options in different nations (Asiedu, E., 2006).
- ii. **Product Innovation:** To cater to regional customers, businesses may also launch new products or modified versions of current ones (Hall, J., et al., 2007). This can entail offering healthier selections, ethnic cuisines, or goods made to fit certain dietary requirements or preferences. Product innovation aids businesses in standing out from the competition and drawing in new clients.

- iii. **Brand Positioning:** Success in a new market depends on tailoring the brand positioning to appeal to local consumers. Repositioning the brand to highlight new qualities or ideals that are more appropriate for the regional market may be necessary to achieve this. Coca-Cola, for instance, has been effective in positioning itself in many global marketplaces as a symbol of joy and unity (Keller, K. L., 1993).

C) Distribution Plans:

- i. **Local Partnerships:** Building a solid logistics system in a new market requires collaborating with regional wholesalers, retailers, or distributors. Companies can more successfully approach clients and negotiate the intricacies of the regional marketplace with the aid of local partners.
- ii. **E-commerce:** For F&B firms hoping to grow internationally, utilizing online shopping sites is becoming more and more crucial. With e-commerce, businesses may access a larger customer base and sell their goods directly to customers without having to have a physical location in the market. E-commerce allows businesses to experience new products and get client feedback.
- iii. **Logistics Optimization:** In order to ensure effective product distribution in a global market, supply chain optimization is essential. This could entail using blockchain and RFID technology to increase supply chain traceability and transparency, as well as purchasing ingredients locally to cut costs and increase sustainability (Chopra, S., & Meindl, P., 2016).

D) Promotion and Labeling:

- i. **Cultural Sensitivity:** Successful branding and marketing depend on an awareness of and respect for the subtle cultural differences of the target market (Kardes, F. R., et al., 2014). Businesses must modify their branding and messaging to appeal to local customers and steer clear of cultural blunders that could harm their brand.
- ii. **The Rise of Digital Marketing:** Digital marketing is essential to successfully and efficiently reaching people throughout the world. Businesses can engage with clients in new markets and increase brand exposure by utilizing social media, internet advertising, and search engine optimization (SEO) (Chaffey, D., & Ellis-Chadwick, F., 2019).
- iii. **Local Events and Sponsorships:** By taking part in local events and sponsorships, F&B companies may establish their credibility and brand in new areas. Companies can build favorable associations with their brand and establish a connection with local consumers by sponsoring sports teams or local events (Cornwell, T. B., et al., 2001).

Distribution and Geographic based Market segment analysis

Distribution channels for the worldwide F&B sector include supermarkets, hypermarkets, online retailers, and others. Supermarkets controlled the market in 2021 because they are so widely

distributed across the globe. The majority of F&B manufacturers use wholesalers and retailers to deliver their goods, which increases the market share of supermarkets. In April 2022, the U.S. Census Bureau recorded 279,611 retail enterprises in the country and \$677.8 billion in food service and retail sales. From 2022 to 2027, e-commerce is expected to develop at the fastest CAGR, of 7.6%. Extensive internet access and the existence of significant online shops like Amazon, Walmart, and Alde are credited with this expansion. A report by the United Nations Conference on Trade and Development (UNCTAD), the pandemic caused global e-commerce sales to eclipse \$26.7 trillion. Forbes predicts that by the end of 2022, e-commerce will account for 20.4% of global retail sales. Due to customers' increasing preference for online purchasing, it is projected that the F&B business would grow at the fastest rate in the world through 2027.

Geographically speaking, North America, Europe, Asia-Pacific, South America, and the remaining countries of the World make up the global food and beverage market. Asia Pacific held a substantial 35% market share in 2021, largely due to the area's vast customer base and the rising desire for fast and wholesome food options in Figure 1. Additionally, the region saw a rise in the availability of commodities that supported market expansion, including baked goods, carbonated beverages, snacks, staple foods, and caffeinated beverages. According to a Kantar survey conducted through consultations with 12,000 Chinese consumers in Tier-1 to Tier-6 cities between the ages of 18 and 60, 64% value safety and healthful food, and 56% use food or drink to decompress. The growing demand for nutritious F&B in Asia Pacific is fuelling the growth of the international F&B market share.

From 2022 to 2027, Europe is predicted to develop at the fastest CAGR due to rising organic food consumption and rising per capita income. The European Union is seeing a rise in organic agriculture methods as a result of the European Commission observing a growing consumer interest in organic products. The European market for organic food and drink is further supported by new regulations that will go into effect in March 2021. The United States Department of Agriculture reports that sales of organic products in Europe hit \$56.5 billion in 2020, up 15% from the previous year. This growth in per capita income and customer demand for organic products is likely the reason for this. From 2022 to 2027, these variables are anticipated to propel the expansion of the worldwide F&B industry.

To put it succinctly, F&B firms use a range of tactics to grow internationally, such as distribution strategies, product adaptation, market entry strategies, and advertising and marketing initiatives. Through comprehension of these approaches and customization to meet the unique demands of every market, businesses can effectively broaden their worldwide reach and leverage prospects inside the worldwide F&B sector.

3.To identify the impact of global expansion on the sustainability practices of F&B companies

F&B firms' sustainability strategies may be significantly impacted by their global expansion. Businesses that enter new markets must modify their sustainability strategies due to the many environmental, social, and economic problems they encounter. This may have both favorable and unfavorable effects on sustainability. It's critical for businesses looking to grow internationally without compromising their sustainability commitment to comprehend these effects.

A)Effect on the Environment:

- i. **Resource management:** Resources including water, land, and energy may be under pressure due to global expansion. For businesses to effectively manage these resources, sustainable practices must be implemented. Nestlé, for instance, has pledged to cut down on water use in its facilities and encourage water stewardship in the areas in which it works.
- ii. **Sustainability of the Supply Chain:** Buying components from several locations is a common requirement of global expansion. Businesses must make sure that their supply chains are sustainable by implementing measures like ethical sourcing, cutting down on food waste, and encouraging biodiversity. For instance, Unilever bases its sourcing decisions on a sustainable agriculture code.
- iii. **Solid waste Management and Packaging:** Growing internationally may result in more packaging trash. Businesses must embrace environmentally friendly packaging options and put in place efficient waste management procedures. Coca-Cola, for instance, has set a 2030 deadline to collect and recycle 100% of its packaging.

B)Effect on Society:

- i. **Community Engagement:** Businesses may be able to interact with and support the growth of local communities as a result of their global expansion. This can involve programs like helping out nearby farmers, giving them accessibility to pure water, and encouraging career and educational options. For instance, PepsiCo has a program named "Positive Agriculture" to assist farmers in enhancing their standard of living while lessening their negative effects on the environment.
- ii. **Labor Practices:** Businesses that expand internationally must abide by the labor regulations and laws of other nations. Businesses must make certain that their labor policies uphold moral principles and encourage treating employees fairly. For instance, Mars outlines its requirements for labor practices from vendors in its Supplier Code of Conduct.
- iii. **Health and Nutrition:** Consumers' health and nutrition may be impacted by global expansion. Businesses must provide goods that support wholesome eating practices while catering to regional dietary requirements and preferences. Danone, for instance, is

dedicated to encouraging optimal hydration and lowering the amount of sugar in their goods.

C)Economic Repercussions:

- i. **Business Ethics:** Companies that expand internationally must maintain the highest standards of integrity in their operations. This entails abstaining from bribery, corruption, and other immoral actions. For instance, McDonald's conducts business in accordance with a global anti-corruption policy.
- ii. **Economic Development:** Companies that expand internationally can help the economies of the areas in which they operate. This can involve boosting local economies, producing tax income, and creating jobs. Through its 5by20 project, for instance, Coca-Cola hopes to economically engage 5 million women entrepreneurs by 2020.

D)Impact on the Regulation:

- i. **Compliance:** Organizations that expand internationally must abide by a number of laws and cultural norms in other nations. This covers laws governing the environment, labour, and food safety. Businesses must be informed about changes in regulations and modify their procedures as necessary. For instance, Nestlé outlines what social and environmental policies it expects from its suppliers in its Global Responsible Sourcing Standard.

GROWTH IN PER CAPITA INCOME AND SHIFT IN LIFESTYLE

The market is being driven by a growing proportion of consumers who are health-conscious, value leading a healthy lifestyle, and favor natural, organic, and nutritious food products. The U.S. Department of Agriculture's Economic Research Service projects a double-digit increase in consumer demand for organic products in 2022. Because there are more than 20,000 organic food outlets across the country, there is a demand for natural fruit. Organic, natural, and healthful food is more expensive than standard products like carbonated energy drinks, baked goods, basic meals, coffee, and tea, but people are prepared to spend more for better health. According to data from the country's economy, the US per capita GDP is \$16,359, up \$2,553 over the year before. The worldwide food and beverage sector is expected to grow due to increased per capita income and healthy eating habits.

EMERGING DEMAND OF CLEAN LABELING

There is a growing trend toward clean or pure labeling as customers' concerns about transparency and fewer dangerous ingredients on product labels grow. It is essential to the growth of the sector as a whole. Labels that are clean do not include ingredients that are harmful, including artificial chemical blends. By 2021, sales of clean label ingredients such as natural colours and tastes, fruits and vegetables, carbs, and sweeteners are expected to reach \$38.8 billion. According to

F&B Insight, 73 percent of the customers in 2019 are ready to pay more for products with clean labels. Between 2022 and 2027, the growing demand for clean-label products is predicted to propel the global F&B business.

RECENT DEVELOPMENTS

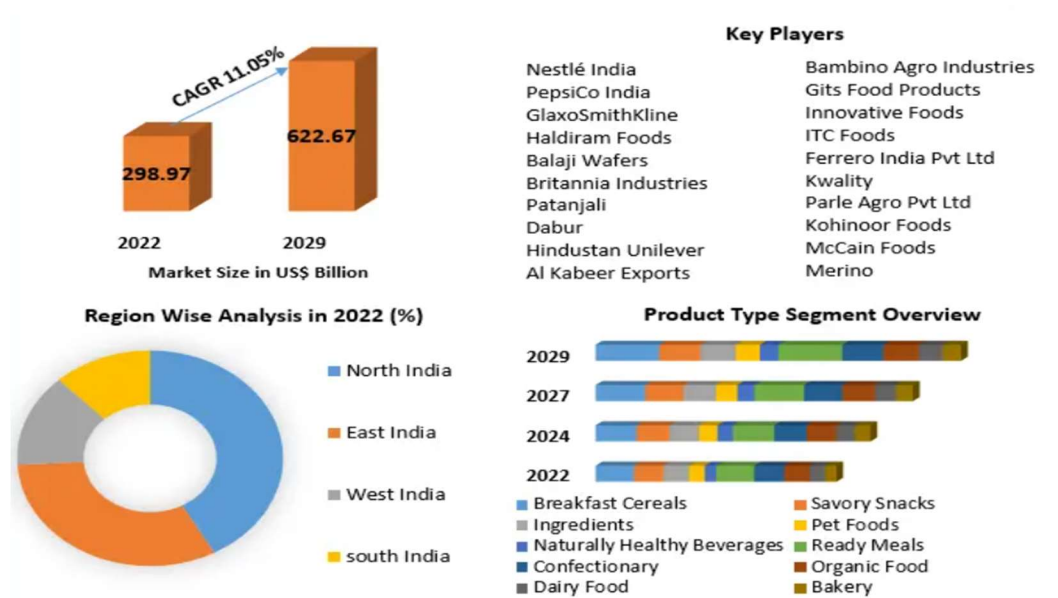
Wilmar International Ltd. and MSM Malaysia Holdings Berhad (MSM) worked together in February 2022 to create a sustainable sugar supply chain. The two companies, SM and Wilmar Sugar, would work together to pilot a strategy that would enable ecological raw sugar sourcing inside their shared supply chain. The NDPE Sugar Policy-based traceable reporting of sugar supply and sustainability performance monitoring are the main objectives.

Leading global provider of nutritional and agrarian origination and manufacturing, Archer-Daniels-Midland Company (ADM) announced in November 2021 that it would acquire Sojaprotein, a prominent European supplier of non-GMO soy components. With this development, ADM's capacity to supply the growing need for plant-based food and beverages as well as its ability to provide a globally competitive alternative protein was significantly increased.

In short, F&B firms' sustainability standards may be significantly impacted by their global expansion. Sustainable practices must be used by businesses at every stage of their operations, ranging from procurement and production to marketing and distribution. By doing this, businesses may reduce their impact on the environment, support social development, and maintain the highest levels of ethics in their operations.

Fig 2. Market Analysis and Forecast for Indian Food and Beverages, 2023–2029

Figure 2: Indian food and beverage market



Source: Article on “Indian Food and Beverages Market – Industry Analysis and Forecast (2023-2029)” Sep 2023.

The representation shown in Figure 2 is about the Indian food sector in 2022.

Market Size: The food sector in India is projected to be valued US\$ 298.97 billion in 2022 and US\$ 622.68 billion by 2029, growing at a compound annual growth rate (CAGR) of 11.05%.

Important Players: Nestle India, PepsiCo India, ITC Foods, Britannia Industries, Parle Agro, Balaji wafers, and Hindustan Unilever are just a few of the prominent companies in the Indian food sector that are identified in the diagram.

Overview of Product Type Segmentation: The figure divides the Indian food market into a number of product groups. Savory snacks, cereal for breakfast, ingredients, pet foods, nutritious drinks, prepared meals, dairy products, and baked goods are a few of them.

Regional Analysis: As can be seen from the diagram in Figure 2, the data represents North India, East India, West India, and South India.

CONCLUSION

An analysis of international business expansion in the F&B sector reveals a landscape full of potential and difficulties. It is clear from this research that the industry has enormous

development potential, driven by trends in globalization, technical advancements, and changing customer tastes. One of the key potentials is the expanding worldwide market, which is being driven by urbanization, rising earnings, and the middle class's rise in emerging economies. F&B firms now have the opportunity to take advantage of shifting consumer trends, expand into new areas, and diversify their product offerings. Furthermore, technological developments like automation, digitization, and biotechnology present opportunities for improved supply chain management, efficiency improvements, and innovation. The F&B industry's globalization has created a dynamic environment with a careful balance between rewards and hazards. Businesses face many potentials for expansion, but they also face difficult obstacles from the competition, culture, and regulations. Businesses can position themselves for sustainable growth and competitive advantage in an increasingly linked global marketplace by embracing innovation, sustainability, and strategic alliances.

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