

Emami offers value products

KOLKATA-based FMCG major Emami is applying cream to its image to change into a premium brand in India. At the same time, the company is diversifying and had entered the edible oils space in February with its 'Health and Tasty' brand, endorsed by MS Dhoni and Preity Zeinta. It has also been scouting for palm oil plantation opportunities in Malaysia and Indonesia to plant its feet firmly in this market. The dark continent, Africa, which contributes 33% to the company's international business, is sitting firm on Emami's radar. The company is planning to have at least three manufacturing units here in three years. Aditya V Agarwal, Director, Emami Group, said that the company will keep focussing on value-for-money products in an interview with Anuradha Himatsingka. Excerpts:

Emami is looked upon as a 'fuddy duddy' brand. Is a brand makeover in the offing?

Every brand has its own image and I strongly believe that Emami is not looked upon as a 'fuddy duddy', dull or not a happening brand. I feel India's premium brands do not command the same perception as foreign brands. Emami does not offer a modern and a young brand but 'value-for-money products' catering to a segment which is large in terms of number and also have the purchasing power. Besides, we have seen that Indian's loyalty towards premium brands is less as compared to 'not-so-premium' brands like ours. A lot of snob value is also attached to use of premium products till they are imported. But demand for the same product dips as soon as the product is made available locally by the manufacturer. Brand makeover is a constant endeavour being taken by companies at large and is getting communicated through packaging, advertisements and several other such communications that we have been doing over the years. Since we are aspiring for a premium brand image, we will not go for major changes.

What are the challenges that you might face in terms of branding?

Business challenges are always there and we are fighting it everyday. The new challenge which Indi-

an market is facing is regionalisation. Even political parties are facing the problem.

We are working around the problem. We need to add more regional flavour to our portfolio apart from the initiatives we have taken in the recent past. For example, we have Bollywood stars like Shah Rukh Khan and Amitabh Bachchan for Navratna Oil.

But we have roped in Chiranjeevi in Andhra Pradesh to promote the same oil, Surya in Tamil Nadu and Upendra in Karnataka even though we are a national player. The ad promos have also been shot at picturesque sites of these states to get the regional flavour. These initiatives are being taken although we are a national player.

Does the company, still playing in the low-end products, aspire for high-end products?

Emami does not produce low-end brands but value-for-money products. Navratna is the costliest oil in the cool oil category. Sona Chandi Chyawanprash is also one of the most expensive products in its category. Though we have been toying with the idea of launching some high-end products, we don't think India is a market of high-end products. Even if it is, the volume will be small.

Emami is probably the only company to rope in multiple Bollywood stars for endorsing its products. Does it all convert into sales?

We are a commercial organisation and we work out the commercial return of each and every move that we make. Some are tangible and can be calculated directly, and some like excitement in the minds of retailers, sales team or even consumers are intangible and cannot be calculated.

We do believe that endorsement of Bollywood stars does make a huge difference. It is not Emami alone but corporates have over the years relied on celebrities to increase the visibility of their brand and in turn, increase sales. All our top brands like Boroplus, Navratna and Fair & Handsome have gained popularity due to celebrity association.



QA | **ADITYA V AGARWAL**
DIRECTOR, EMAMI GROUP

Does Emami has the management bandwidth to take on MNCs?

We compete with HUL in the cream segment with our Fair & Handsome brand; in the chyawanprash category, our Sona Chandi Chyawanprash takes on Dabur; Zandu balm is there in the pain relief balm category to compete with Amrutanjan.

Every FMCG company has tried to enter the cool oil category but could not make a dent and had to withdraw their brands. Incidentally, we have four brands which are category leaders and not many company can boast of this. All our brands occupy the No.2 or No.3 slots in their respective categories and this, I feel, proves that we are successful.