

Emami working on fresh brand strategy, campaign

Our Bureau

Kolkata, Jan. 2

Post-acquisition of Zandu, Emami is working on a fresh brand strategy and media campaign plan for its own and Zandu's products. Mr Harsh V. Agarwal, Executive Director of Emami and wholetime Director of Zandu, told *Business Line* that a comprehensive plan would be ready for implementation by March for 2009-10.

The annual advertising budget for the two FMCG and ayurvedic healthcare products would be in the region of Rs 125 crore. For Zandu, the ad spend would be around Rs 20 crore for the next fiscal.

According to the broad brand strategy, four Zandu products — Zandu balm, Pancharisht, Keshri Jivan and Ni-

tyamchurn — will be accorded maximum focus in 2009-10. "We will not go in any brand merger. But Zandu has a long list of products — more than 250. We need to prioritise and not attempt diffused attention. This is to attain maximum returns," he added. He said the Emami products, wherever similar, would compete with those of Zandu. "We, would like to retain brand identity and provide a level playing field for each of them through positioning, differential pricing, modification in target profile and geography," Mr Agarwal said.

"We would love to consolidate our combined sales in 2009-10 at around Rs 1,200 crore. For Emami, there would, however, be no change necessary in terms of product

portfolio focus," he added.

The new management has decided to accord a serious export thrust to Zandu products. Currently, Zandu's exports are around one per cent of its turnover. "We plan to grow the export market for Zandu products in the next three years. New product launch for Zandu would also be weighed against the potential and the new focus," he explained.

Emami, which now works with five advertising agencies — Ambience Publicis, Rediffusion, Situations, JWT and Mudra — may take a re-look at the list of agencies working for Zandu. "That does not mean TBWA or Madison will be changed for Zandu. But we may consider an agency that may work for both the companies," he adds.