

News monitored for: Emami Group

Navratna plots its debut into the ₹1,000-crore club

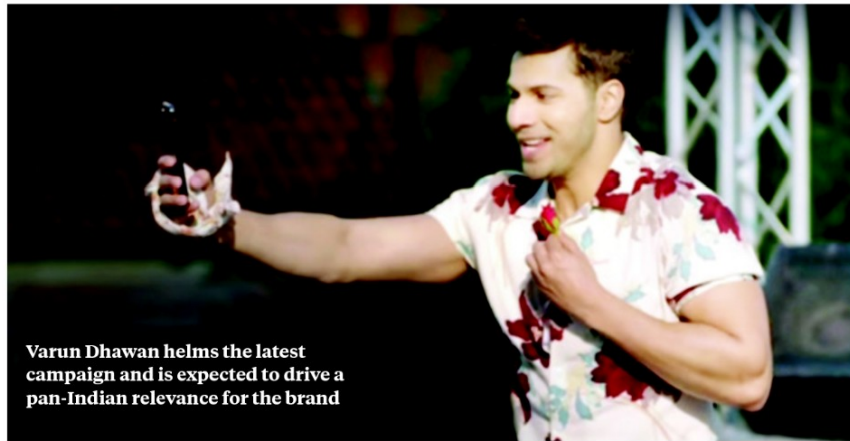
With Varun Dhawan as ambassador, a slew of extensions and a hefty push into non-metros, Emami eyes the big league for its brand

AVISHEK RAKSHIT & ISHITA AYAN DUTT
 Kolkata, 15 April

Originally launched as an *ayurvedic* hair oil, especially effective as a coolant during the country's steaming summer months, Emami's Navratna brand is now a ₹750 crore property with several variants of hair oil and body talc in its portfolio. Poised to become the company's first ₹1000 crore brand in the next two years, Emami has brought on board Varun Dhawan as brand ambassador, lined up new extensions and is following an aggressive marketing plan even as it puts its distribution might behind taking Navratna deeper into the hinterland.

The extensions route has served the brand well in the past and the company says it will continue to innovate with new speciality oils and products. In the first nine months of the 2017-18 fiscal year, the Navratna portfolio grew by 13 per cent. This helped raise its market share in the ₹800 crore cool oils category in the country to 66.1 per cent and made it the largest brand in the Emami basket.

The company has also reworked the core brand proposition. Recognising that sales suffer during the winters, the oil is now pitched as one that keeps the head warm in winter and cool during the summers. "We have already test marketed a hot oil variant in Uttar Pradesh and the results are encouraging. We will decide when to launch this," said Harsha Agarwal, director at Emami. By expanding the scope of the



Varun Dhawan helms the latest campaign and is expected to drive a pan-Indian relevance for the brand

brand, the company believes it will open up new markets and opportunities. It will also help avert situations like this one; an early monsoon in some parts of the country led Navratna to be content with 19 per cent growth last year. Had the monsoon been on time, it could have grown at 28-29 per cent, the company felt. As an all-weather therapeutic label, Navratna can escape this trap.

Emami has extended the brand to cool talc, where it is pitted against Nycil, Dermi Cool and others and leads the pack with a 27-28 per cent market share in the ₹500 crore market. "There will be some more extension of the Navratna brand into products and categories," Agarwal said. The current Navratna portfolio consists of the flagship Navratna Oil, Navratna Xtra Thanda Oil, Navratna Almond Cool Oil, Navratna Cool and Navratna Smart Cool.

The company spent around ₹70-80 crore on advertising and promotions on Navratna last year, which is

likely to be the same this year as well. However, there will be a stronger pitch being made for upcountry and rural markets which make up for 40 per cent of Navratna's sales.

The brand is also being promoted within communities that are peer driven in their purchase behaviour. For example, Emami had the *Saarathi* campaign that targeted more than 5,000 highway truck drivers to sensitise them about road safety, besides offering accident insurance policies, hair massage, free samples and so on.

According to a company official, the campaign is part of a long-term initiative. While the primary proposition was to teach truck drivers about road safety, the brand sought to address the underlying problem of stress as that is part of its value proposition. During the recent *Ardh Kumbh mela*, Emami had a stall where it distributed markers and bands to people belonging to the same family so that it would be easy to locate each other in the melee.

Here too, the marketing focused on the brand's "stress free" promise.

The company has roped in Varun Dhawan as ambassador. Dhawan embodies freshness, vitality and energy which is in complete sync with the brand's core benefits, the company said. Besides, the actor's popularity in certain segments will help drive consumer preference and grow its band of users, the company expects. In the past, celebrities like Amitabh Bachchan, Shah Rukh Khan, Govinda, Shilpa Shetty, Chiranjeevi and Nandamuri Taraka Rama Rao Jr. have endorsed this brand.

The cool hair oil market has been largely Emami's fiefdom with most of the big players absent from the category. Competition has been mostly local brands such as Rahat Rooh, Himgange and others. By sharpening its pitch and getting more aggressive with its marketing, the company wants to not just be the biggest brand on the block, but also the toughest one to beat.