

# “Salty snacks as a market has become hyper competitive”

*Ruchira Jaitly, Vice President (Marketing), PepsiCo India (FritoLay divison), started her career with Unilever, working in sales for personal products in Western UP and Rajasthan and later on brand activation and innovation in its hair wash category in a stint spanning over seven years.*

*A graduate from St Xavier's, Mumbai, and an MBA from IIM-Ahmedabad, Jaitly has been associated with PepsiCo for the past five years now, working on brand communication, innovation and market activation on brands like Kurkure and Lay's.*

*In an exclusive interview with Dhaleta Surender Kumar of Pitch, Jaitly talks about Lay's latest consumer connect campaign - Give Us Your Dillicious Flavour (GUYDF), and also gives us an insight into the marketing strategy of Lay's in India. The GUYDF gives the consumer an opportunity to co-create a chips' flavour with Lay's, which will be launched later this year. The winner stands to get Rs 50 lakh and one per cent of the sales turnover from the new flavour. Excerpts:*

**It's been about four months now, since you launched the GUYDF campaign. How's been the response so far?**

It is our first large scale, approximately 10-month, co-creation campaign with the consumers and the response has been gratifying. We have received over 14 lakh entries and the kind of entries we have got has been amazing. We have people from rural areas like farmers writing in. We had a farmer who wrote in on flavours on Alphonso mangoes from Maharashtra; we have housewives with 30 different recipes; we have youth telling us about the kind of experimentation they want to do.

**What was the insight behind launching the campaign?**

In a market that is so driven by

amount of monetisation against it. What this exercise has also taught us is that an average Indian today, in terms of a taste palette, wants to experiment and try stuff and is far braver as a global citizen.

**Except for a couple of flavours not many international flavour could sustain the market...**

The Spanish Tomato Tango flavour has been around for quite some time, and it is an international flavour. There is also Caribbean Hot and Sweet that is loved in South India. The consumers at the end of the day love going back to familiar tastes and what they love. But they also flirt with new tastes – that is

“In a market that is so driven by innovation, we have been the leaders.”

innovation, we have been the leaders. We have brought in exciting flavours like American Cheese and Onion, Spanish Tomato Tango around 10-12 years back. Then we did Chat Sheet and Tips & Chips. The challenge for us was to identify the next big thing that would make consumers sit up – more of the same doesn't work in India any more. This was a big bet in terms of saying that we believe consumers have a point of view. We also believe that consumers want to express themselves, where they can make a difference and equally get some

what experimentation is all about. **So what do Indians prefer? Indian flavours or international?** Indians that way like both. We appreciate the international palette today. At the same time, we are very clear, we like our Indian flavours. The insights we have got through the campaign is tremendous. But the bigger piece for us is engagement; flavour concepts are dime a dozen. Of the four flavours that we launch, only one would stay in the market. But the fact is that the consumer is going to vote and choose what is that flavour. So to answer





your question, it could be an international flavour or it could be an Indian one. But you couldn't take out the likes of Uncle Chipps from the market, which was launched way back in 1992. You finally acquired it in 2000.

You would be surprised to know that Uncle Chipps sales are 25 per cent more than what it was when we acquired it. Uncle Chipps today has a higher market share than Bingo. It's not something that we talk much about, but it is true. The way Uncle Chipps has grown, we are very proud of it.

**Any more acquisitions like Uncle Chipps that you are looking at?**

Not in the future and none that I know of at least. I know that we have a very strong growth path on Lay's.

**Over the years, Lay's has reduced the number of calories that a pack has or similar innovations. So is Lay's all about flavour or does it have the health aspect too?**

Consumers are going to eat great tasting products, of great quality – of what you trust and you are willing to go out and buy. That is the basic premise. So, at FritoLay India, we ensure that we have the right portfolio for the consumer to make the choices he wants to make. All our products -Lay's, Kurkure or Aliva, that we launched recently, have got innovative ideas behind them in terms of flavour and taste. Equally, we are the first ones to move to rice bran oil which reduces the saturated fat. We also have portion packs, which have only 100 calories per pack. So, as a consumer, when you wish to go out and say that 'I love eating this but I want to eat this in just the right quantity to manage my health and weight', there is a pack for you. We try and give consumers that option. We do not market to kids. Lay's or Kurkure is not advertised to children under the

## INTERVIEW RUCHIRA JAITLEY

age of 15. So we don't go to kids' media and we don't have children of that age in our ads.

**Kurkure would soon be exported. Would you consider Lay's Indian flavours too for export?**

You would be surprised by the kind of enquiries that we receive for Magic Masala, the Indian flavour. People do check them out and taste them. We have a couple of Indian flavour in the markets that have a large Indian diaspora like in the UK and Canada. But we don't export

sustainability is the big thing to watch out for. The fact is that we are growing in healthy double digit figures. We are India's favourite brand and we have grown to that stature. It is not something we just always had. Also, the affinity and bonding that we have, and the presence that we have, continues to grow. It is a very attractive market – everyone has an idea on what is going to work. Kurkure was invented in India, it doesn't exist anywhere else and now we are exporting it. In case of Aliva, India is

**marketing different, you would speak about engagement programme – what else from this?**

Innovation is not just about flavour or a new kind of a chip, there are lots of dimensions to it – be it the way you go to the market and the racks at point of purchase (POP).

**So are you being innovative at the POP as well?**

I have to say, may be not for Lay's, but certainly for Kurkure. If you go, for example to PVR, you will find *chaat* carts, where we sell Kurkure *chaat* and you have all kinds of options there from healthy *chaat* with sprouts options, or *dahi papadi* kind of a *chaat*. That being said, there is no end to innovation on POP, so that is possibly something we can tap more into. But you are going to see a lot more of that as we go ahead. **For a brand as big as Lay's, do you think, brand endorsers make a difference to the sales?**

Brand endorsers are critical. They give a face to the brand. We have worked with Saif (Ali Khan) for seven- eight years now. We have had people walking in and out, but we have always been with Saif, because he just epitomises the face of Lay's. We had signed him when he wasn't the big star that he is today. He had just one big hit - *Dil Chahta Hai*, but he suited best for Lay's and continues to be the right fit. With M S Dhoni aslo, we felt the fit with the brand... that being said, today every brand has an endorser – biscuits, pens, everyone has it. Endorsers are not the reason why someone buys a brand; they just give the brand a face and value. We have had long relationships with brand endorsers. ■



**“ Endorser is not the reason why someone buys a brand ; he just gives the brand a face and value. ”**

Lay's in those markets as we already have very large businesses there.

**Recently, Parle Agro too entered the chips' snacks market with Hippo, which way do you think is the snacks market heading?**

Salty snacks as a market has become hyper competitive today. If you take the example of Aliva, the product is in clear competition with Monaco, which is a cracker, and Aliva has taken a considerable market share away as well. Every second day someone is coming with a new salty snack – clearly it is seen as a very attractive business to be in. But the

lead country to develop it. Uncle Chipps with a ripple cut is unique. What I am not worried about is that we have got tremendous innovations in pipeline.

**As far as competition is considered, did you take Bingo seriously?** We take every competitor seriously. You have to do this. ITC is always a watch out but the fact is that we have grown share on Lay's and Uncle Chipps, we have grown distribution, volume, all ahead of the competition. That makes it more exciting for all of us.

**If I were to ask you how is Lay's**