

“We want to be an agile giant”

This man is ready to take on the competition and extend Cadbury’s reign as the market leader in chocolates.

By Shweta Mulki

It’s about being an agile giant,” says Anil Viswanathan, who recently took over from Prashant Peres (now in a regional role) as marketing director of chocolates at Mondelez India. He has been with the company for 18 years in various regional and global roles. “I want to flex my muscles, leverage all partners, scale up and yet have the agility to respond to the Millennial, tweak things on a daily basis, do the beta work and become aspirational to work for,” he declares, spelling out his vision in what is Cadbury’s 70th year in India.

In 2010, Kraft bought over Cadbury. Later, in a demerger, it was spun off into Mondelez. Did anything change at all? According to Viswanathan, there always was an entrepreneurial spirit in Cadbury. This just got ‘amped up’ when Kraft came in. “I sort of represent the continuity. The takeover had to be leveraged quickly. It was a high-cost, high-stakes game. I was part of a team given the mandate to launch Oreo in nine months. We had never done biscuits but we made it happen and it was one of the most successful launches in the segment.”

Speaking of entrepreneurial spirit, founder John Cadbury set up his chocolate making venture in 1831, moving to a bigger place 16 years later. In 1878, the factory (now run by his sons George and Richard) moved to an even bigger site - Bourneville. The chocolate spread to other shores arriving in India in 1948. Generations of Indians grew up eating their chocolates and remained loyal despite having access to other global brands.

“In food, there’s a concept called ‘recruiting’ somebody on to the taste,” says Viswanathan. After that, it’s about getting



on to the consumption journey. Globally, chocolate was ‘the sweet’ and, unlike in India, there was no battle to drive relevance as it was part of the palette. But India loves chocolate more than ever now. Seen as the ever-growing, ever-dynamic market, it’s been an outlier vis-a-vis a decline in most global markets.

Mondelez’s new 134-acre plant in Andhra Pradesh (it has plants in three other states – two in Maharashtra and one each in Madhya Pradesh and Himachal Pradesh) can produce 60,000 tonnes of chocolate in what Viswanathan calls Phase 1. When Phase 2 is completed in 2020 capacity will have more than quadrupled

INTERVIEW

ANIL VISWANATHAN
DIRECTOR - MARKETING
(CHOCOLATES)
MONDELEZ INDIA

(making chocolates, beverages and biscuits). Mondelez India delivered its third straight quarter of double-digit revenue growth this year after a rather sluggish phase. Net sales for Mondelez in the 15 months of 2014-15 (it changed its financial year-end from December to March) was ₹6,508 crore. It clocked ₹5,400 crore in 2015-16 and moved up to ₹5,748 crore in 2016-17. Industry sources put Mondelez’s share of the chocolate market in India at over 65 per cent. In this interview, Viswanathan talks about chocolates, campaigns, consumers and more. **Edited excerpts:**

The ‘recruiting’ of taste - it’s not about nostalgia, right?

Yes, it is not. It’s about a specific what-I-grew-up-with familiarity

“If Gen X and Y was about rebels, the core insight about Gen Z is ‘hacks’.”

concept. Till a child is 12, the gatekeeper brings them things, after which they start making their own choices. That initial set of things that they buy with their pocket money is what they grow into. We see very little drop-outs once they are ‘recruited’. So, catch them young and keep them.

Our task is to reduce the drop-off. From how exciting and central it is to

how peripheral it can get later, is what we try to attack. Before the 1990s, it was about 'father comes home with a chocolate in his pocket for the waiting kid'. That's how we built the category.

From then on, the journey has been 'even if you are a teen or an adult, it's acceptable to eat chocolate with many 'reasons' to do so.

So, campaign strategies to increase the width of consumption evolved accordingly - starting with that breakthrough girl-running-on-cricket-field ad.

Yes, in 1994 we started with 'Real Taste of Life' which was about bringing out the child in you. In 1999, came 'Khanewale ko khane ka bahana chahiye' which was about democratising chocolate and taking it to the streets from premium/English to Hindi - it was about the ₹5 pack and a Cadbury in every pocket. Then we unlocked the insight around meetha with 'Kuch Meetha Ho Jaye'. This really broke open the category.

What is the current push?

With adults, we are trying to drive stocking at home with the new packs. As consumption goes up, the need to stock goes up. We had specific campaigns like 'Khane ke baad kuch meetha ho jaye', but it's still the tip of the iceberg as a large part of consumption is still outside of homes.

Beyond kids-teens-adults, there's the Millennial and Gen Z. How do you talk to these digital natives?

In the last 7-10 years we have been moving from demographics to generations. Once I hook a generation, I can stay relevant to them. For Gen Z, the challenge to recruit is tougher not because products aren't relevant - it's about staying engaged. Factors such as the way they consume media - is media driving them or vice versa, the whole idea of commitment/attention span being more fleeting - are making marketers adopt new 'laws of growth' where it's not about chasing the loyal user, but chasing penetration.

The way you market to them would have to be anything but linear...

The earlier funnel - which was about 'drive awareness-create interest-ask to purchase' - is becoming non-linear. We are more focused on reach as against frequency. Staying relevant here is about meaningful ideas and two-way conversations. For them it's beyond ads - which they are consuming less and less. There's a clear desire for multi-textural experiences and they are willing to pay a premium for interesting experiences. At a basic level it could



"We have gone beyond the classic approach of TV first, then roll out integrated"

mean making our products multi-textured - be it centre-filled, aerated, Marvellous or Oreo chocolates. It's no longer about an iconic taste.

Silk too was part of that...

Yes, few categories have been able to 'premiumise' something that is already mainstream. Silk was rooted in the product experience, which we dramatised. The messy hands, the mnemonic, the music - it's all about the product.

Is that what you mean by 'fresh consistency' when it comes to ideas?

Yes. Every year we think about what to say, we keep getting new ideas, but our agency partners and us ultimately focus on the core of the brand, its experience and then new provide variations to it.

How do you take that to Gen Z?

This generation also responds to role-modelling differently than the previous one. They are about 'realism' - in the kind of people they look up to, how they feel about themselves. If Gen X and Y was about rebels, the core insight here is 'hacks'. They like to stay in the system and are confident that they can hack it. They smile at their parents and surprise them when they are having a conflict, instead of

rebelling. There was time when we spoke about escapism in advertising, but now it's about them being real and overcoming it in their own smart way. That's reflecting in the way we look at the brands now.

The brand's milk chocolate with its unchanged formula is the Holy Grail. Is the preference for dark growing here at all?

For us here, the market lies more in milk. Sharper tastes gain relevance as the category evolves. But over time we've seen that even in developed markets, the centre of gravity could be milk. Australia is rooted in milk, while France is rooted in dark.

Our job is to keep creating the niche so that we continue to invest in Bournville (dark chocolate). There will always be a set of consumers who like richer tastes. We try to ride that.

Speaking of savvy consumers,

how do you tackle shelf battles in modern trade...

Entry barriers are lower in modern trade and there's greater choice, but our job is to grow the market. Modern trade depicts the state of evolution that the category can get to. To that extent we need to be sharp, nimble and agile to see who's coming where.

We need to sequence our strategies and not allow someone to get into uncontested areas. If more people are comfortable consuming chocolate in the earlier parts of the day as a meal substitute, we want to own that. That's why we launched Fuse. Sometimes we've been ahead of the curve where we have had to pull down innovations too.

How much are you veering away from traditional media like TV?

Go where the consumer is. It's about chasing the feed. In a meeting (with a social media giant) we learnt that the 'thumb travels 300 feet a day' (while scrolling feeds on social media). So, can brands engage at the 'speed of the feed'? In a recent conference there was an experiment where adults were asked to tap the person next to them. In this, Millennials apparently used their thumb (instead of the index finger). They also show a lot of multiscreen behaviour. TV is still an efficient way to reach a universal TG, but there is no doubt that there is a swing towards digital.

What's your checklist for the ideal agency partnership...

My task is to create an ecosystem which has all our partners. While some of them lead in carrying a large part of the brand's agenda, the idea is central so we first ensure that it's strong and meaningful, use the Millennial filter and so on. Then throw the idea on to your ecosystem and be open about what is put where. We have gone beyond the classic approach of TV first, then roll out integrated etc. Beyond our regular agency partners, our ecosystem also has the likes of Google and Facebook with whom we have global partnerships and, in some cases, specific content developers could be present right up-front.

For the idea to be nurtured, there is a lot of beta testing...

Every campaign is like a new software launch where we put out different versions treating the idea as open source and building it organically. Even if it is a TV script, we work with our partners at a very early stage, so that everyone sees how the story evolves. It's like an exciting start-up but it's also scary because many people are involved. Managing chaos and complexity can take time.

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SCOOP WHOOP

Casuals Business

The collection features ScoopWhoop's iconic 'Kaafi Feminist' and 'Kaafi Liberal' designs in a wider range of silhouettes. **By News Bureau**



In a recent development, homegrown internet media and news company, ScoopWhoop, has stood up for the bold, free-spirited Indian woman, supporting her as she overcomes 'log kya kahenge' and other societal drama, to reach her true potential.

In keeping with that tradition,

ScoopWhoop Shop's new womenswear collection is a well-deserved tribute to the 'unsanskaari' Indian woman.

The collection features ScoopWhoop's iconic 'Kaafi Feminist' and 'Kaafi Liberal' designs in a wider range of silhouettes.

The bold yet quirky taglines are

a salute to the unbreakable spirit of the woman who doesn't give a damn to all the things holding her back. Designs featuring feminist icons like Frida Kahlo and Kaali make a bold statement without trying too hard.

Sriparna Tikekar, co-founder says in a press note, "Our womenswear collection has been specially crafted

for the bold, beautiful, and daring women of today. It's for those who are not afraid to make a noise for the right reasons."

ScoopWhoop's Unsanskaari collection is up for grabs at their online shop: <http://shop.scoopwhoop.com>

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"We want to..."

The balance lies in bringing together cutting-edge domain experts and people who've lived the brand and understand its ethos into the same room.

You were part of the global story of 5 Star, the born-in-India countline (single bar) brand...

Mondelez has some iconic brands in each of its markets. There were some large markets where competitors started investing with global propositions. We decided to get aggressive, scanned local brands that had legs and were distinctive - 5 Star was one such brand from India. We turbocharged it, made it relevant to Gen Z - that's how 5 Star 3D (launched in December), developed for Brazil first, was brought here as premium 5 Star. We chose emerging markets where 'caramel chew' didn't exist but where the proposition - lost or involved in taste - could be retained. We also retained the name and packaging.

What are the growth drivers and innovations that have taken off?

Globally, the category is in the 2-4 per cent space. In emerging markets there's headroom for growth, but India has seen the fastest disproportionate growth due to rise in disposable incomes, investments and manufacturer actions. The latter is about innovation, focus on distribution, visibility, expanding presence - we have coolers in 300,000 stores. We have a global R&D hub in Thane for product development. Lickables was created there and taken to other global markets. Fuse was co-developed by Thane and the central hub in Bournville.

Chocolate portions keep getting resized due to inflation. Do you struggle to maintain price-related value propositions?

There's inflation, commodity price fluctuations, and forex (many commodities that we source come from outside India). We need to be smart in managing this but at the core of it, it's all about category relevance. The consumer is aware of inflation and is making the choice.

As price points keep shifting, we have price pack architecture. It gives the consumer comfort, and she is able to pick up a pack for the relevant price point. At the lower (income) end, we ensure continuous transaction via value re-engineering, using supply chain benefits, and getting the consumer to see the value proposition.

Health-conscious consumers and the anti-sugar movement - how prepared are you?

Globally, the trend is to snack a little but more often. We need to ride that responsibly and give consumers a choice. In the snacking context, there will always be a role for a treat. Physiologically it's known to create a smile and feel good. We do front-of-pack labelling, have mindful portions, don't advertise to kids under 12, create packs designed to eat at various times. In chocolates, the consumer wants the goodness of ingredients, in the same taste. We need to drive awareness about the goodness of cocoa. We've invested in it and source it from Kerala. There's also a role for well-being options where we are innovating. ■

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