

News monitored for: Pepsi - Brands

Pepsi to Launch Doritos in India Next Week

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New Delhi: PepsiCo will bring in its billion dollar-plus snacks foods brand Doritos to Indian stores starting next week, its fastest growing snacking brands worldwide, a top official said.

The move to bring in Doritos, a premium, high-margin brand, hinges on PepsiCo's strategy to premiumise its portfolio. "Bringing in Doritos is in continuation of our journey towards premiumisation. There is a definite market for such products now," PepsiCo VP, snacks, Partho Chakrabarti told ET. He cited recent launches including chips brand Lays Maxx and higher end variants of Tropicana juices and salty snack Kurkure as examples of high-margin products that he said had received positive consumer feedback.

The triangle-shaped Doritos, the New York-based firm's third-largest snack brand after Lays and Cheetos, will be imported presently. PepsiCo expects to start domestic production of the nachos chips brand through the course of year.

Doritos' launch comes at a time when beverage sales have slowed down to low single digits on account of slowdown in impulse spends and unseasonal rains. "Growth within snacks is higher than beverages," Chakrabarti said, which he attributed to the snacks category selling at lower price points of ₹2, ₹3 and ₹5 fuelling volumes and a wider distribution footprint. PepsiCo's beverage portfolio includes flagship cola Pepsi, lemon-based Mountain Dew, 7 Up and Nimbooz, Tropicana juices and Aquafina packaged water. Besides, while beverages are seasonal, snacks are consumed through the year.

In India, Doritos will be PepsiCo's third master-brand within snacks after Lays and Kurkure and the



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firm said it is bringing in a mega brand to its snacks portfolio after a gap of at least well over a decade.

PepsiCo, though still leading the ₹8,700 crore domestic salty snacks market, has been facing intense competition from scores of regional players including Balaji Wafers and Haldiram's, and has been conceding market share to these brands.

"There are a significant number of players in snacks but the category is moving fast enough for us to continue growing," Chakrabarti said. While the Nestle episode which ended in Maggi noodles being banned for five months between June-October this year impacted sales of all packaged foods, Chakrabarti said category sales had not slowed down significantly. "There was concern among consumers, but it did not have a big impact on our category," he said.

As is the case with most grocery brands, PepsiCo too will sell Doritos through ecommerce platforms.