

News monitored for: Frito Lay - Brands



Quaker poha, upma next from Pepsi

Manu Anand, chairman, PepsiCo India, believes that innovation in the consumer space can be a game-changer. The need to adapt and change with the changing consumer preference is what will drive growth, he told Nupur Anand. Excerpts from the interview:

Was the first mover advantage key to Quaker Oats success?
Oats is a great product in terms of health proposition. In this space, we got the timing right. We were present at the right place at the right time. We were able to educate the consumer about the benefit of this product and gradually we have seen more and more consumers opting this healthy form of breakfast.

There was a period of stagnation in the breakfast segment, but you changed the game with the introduction of masala oats...
We got some good initial number of consumers who started adopting oats for breakfast. But then, at the same time, there were lots of consumers who were not switching to oats. And the big problem was the bland taste. We realised that consumers were doing something on their own to add flavour to the oats. So we saw an opportunity there and thus introduced masala oats. Some consumers said we wanted more vegetables in it, some said we wanted it sweet and so we tailor-made the flavours accordingly. And this innovation has worked very, very well for us.

Apart from flavours and variants, what are the other innovations that PepsiCo has undertaken?
We strongly believe in innovation and we have been using it across all products. For instance, as far as oats are concerned, we are piloting with some airlines where you will get oats in a cup and you just need to add hot water and it will be ready in five minutes. And that can be extended to offices and consumed there or anytime when you are on the go. We also focus a lot on packaging. For example, if you take Mango Slice bottle, it really looks like a diced Mango. Similarly, our Mountain Dew neon pack glows in the dark. These features do drive consumption.

What else has PepsiCo changed or introduced, based on consumer insights?
We continuously go out to the consumers and try and find out what they want and without asking the direct question. And that drives the innovation for all the products, in both the food and the beverage segment. For instance, we came out with Aliva Multigrain and baked Lay's where consumers wanted to consume the tasty food without feeling guilty. The consumers kept saying that they love potato chips but wish they could reduce the calorie intake. Then, the other example is Ice Bolt at PVR Cinemas. The feedback there was that consumers wanted more products in the multiplex that one can connect with.

What can we expect next?
Now, you will see poha and upma in the market from the Quaker Oats stable. It has already been launched in Delhi and will soon be coming to Mumbai and other parts as well. With this, we are expanding the breakfast offerings.

Analysts believe that the healthy food category has not been growing as well as it should. Do you agree?
Our duty is to give an array of products to consumers. They can choose. We've put a whole lot of choices in front of them, in terms of both indulgence and wellness. Over a period of time, consumers will choose what they want.

How do you plan to leverage the fact that you are now the IPL sponsor?
We are very excited about it. And it comes bang in the middle of the summer season, so we see a great opportunity. During summer, IPL is going to be the biggest single event that consumers interact with. And we plan to make it a big property for Pepsi.

How are you coping with the high inflationary pressure?
Inflationary pressure continues and that is inescapable. As a result, we're continuously looking at ways to enhance productivity, looking at cost optimisation so that we can deliver better value to consumers.

What are your expectations from Budget?
I hope it's a stable budget with clear taxation policy and more clarity on fiscal policy.

Q&A
Manu Anand

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