

News monitored for: Emami Group

INTERVIEW: PRITI A SUREKA, executive director, Emami

'With Covid changing consumer behaviour, focus will be on digital-first brands'

Emami is looking at aggressively growing its online sales of personal care and healthcare products and has undertaken a lot of projects to cater to the aspirations of the millennials, says executive director **Priti A Sureka**. In an interview with **Mithun Dasgupta**, Sureka informs as Boroplus is a strong power brand, the company will be having many new introductions under it. Edited excerpts:

Emami has merged analytical R&D teams of personal care and healthcare products for better efficiency and cost reduction. Would you please elaborate?
 We have two divisions in R&D for personal care products and healthcare products. We have merged the analytics to drive cost-saving and also to get better value. R&D personal care and healthcare is a 100-member team in Kolkata and Mumbai. Now, with the business model changing (with Covid-19 pandemic impacting con-

sumer behaviour), we have to go into the digital first brands. In the D2C (direct to consumers) brands, if you want to be successful, your ticket size (average product price) has to be above a certain level. We want to cater to this D2C audience because it's a different audience that has come up. The millennials and the zillennials have come up with very different mindsets. Everything is online for them. We want to cater to this audience. So, we have undertaken a lot of projects, which actually go across formulation, packaging, and consumer insights.

How are you modifying the R&D model to cater to the target audiences and consumers? What are the products the company has launched in the D2C space?
 The earlier model of the R&D will have to change. In D2C, you will have to bring in agility. The systems and processes will be very different, and it is very different from



our traditional consumer goods. In the traditional mode there are many intermediaries, but now it is going directly to Amazon, Flipkart and different websites. You have to get the product ready within one and a half months. Earlier you were producing one lakh pieces of the same thing, but now when you have started D2C, you have to produce maybe 100 pieces of that.

There has to be a test and learn and that kind of a model there. In the D2C space, we have already launched products under 'Zandu' and 'Kesh King'. We will be launching products for this space under '7 Oils in One' in the next 5-6 months. Across brands we are launching D2C. We may also be launching only D2C or digital first brands.

What percentage of your total sales currently comes from online?
 As of now around 5% of our sales in personal care and healthcare products comes from online. We are looking at aggressively growing this figure.

During the last fiscal the company forayed into the hygiene segment under the Boroplus brand. Are you planning to launch more products under Boroplus to further leverage the power brand?
 In hygiene products we are seeing very positive growth in soaps, which is a very com-

petitive category. We are very optimistic about the soap business in the suburban and rural markets. Sanitizers as a category was launched to take the opportunity of the growing demands. While the category was good and it served its purpose, now the category has completely died. As Boroplus is a very strong power brand, we will be having many new introductions and we will also be seeing a lot of consolidations. The brand has scope to introduce a lot of products and we will be focussing on that. We are also looking at e-commerce launches. Currently, Boroplus is having a turnover of around ₹500 crore. In the domestic business, it grew by 29% during the second quarter this fiscal. For Boroplus, urban markets did slightly better than rural markets during the second quarter.

The company 'relaunched and revived' Kesh King last fiscal. What were the reasons behind that? Are you launching new

variants under this brand?
 In Kesh King we suddenly saw very increased competitive intensity. It was not there at the time of the takeover. That is why the market condition and the renewed landscape were fully understood and analysed and a stronger market strategy was conceived. We rejuvenated the shampoo portfolio and revamped the entire packaging. We have launched a whole range of D2C products. We are also launching new variants for the general trade (GT) market. We have penetrated in the suburban and rural markets through the GT. We have increased the number of direct distributions. This brand is having a turnover of around ₹300 crore. Sales under this brand saw around 26% year-on-year growth last fiscal. We are currently witnessing stellar sales growth. For Kesh King, performances of rural and urban markets were similar in the second quarter this fiscal. It grew by 15% in domestic business during the quarter.