

# A **KURKURE** Encore?

Only time will tell if Frito-Lay can replicate Kurkure's success with its biscuit brand Aliva taking on Britannia & Parle

By KJ BENNYCHAN

**F**RITO-LAY INDIA, EASILY ONE OF the fastest growing assets of PepsiCo globally, is, after lying low for some time, trying to replicate the huge success it tasted with its first-ever fully indigenously developed snack offering Kurkure with another desi product, Aliva. But with a difference.

While Kurkure is a rice-based, fried offering, Aliva is the first wheat and lentils-based and baked snack and is interestingly pitched against biscuits, and not the potato-based snacks, which constitute the lion's share of the snacks market. According to Frito-Lay India chief executive and PepsiCo India Region president Gautham Mukkavilli, Aliva marks the third phase of the company's India success story— after the successful launch of its international brands Lays and Uncle Chips which marked the first phase, and the development and launch of Kurkure, which marked its second phase of growth.

"Aliva marks the creation of a new baked savoury cracker category in the domestic market. It's a significant step in our journey of portfolio transformation towards providing healthier and tasty snacking options in line with the

local consumer needs, thereby creating a whole new category in the Rs 11,000-crore and 1.5-million-tonne biscuits category," said Mukkavilli at the launch of Aliva in the Capital early June. The ethnic snack foods market is over 3 lakh tonnes, three-fourth of it unbranded.

The present Frito-Lay portfolio includes Kurkure, Lays, Uncle Chips, Lehar Namkeens, snacks brands for kids Cheetos and Cheetos Whoosh, and the breakfast cereal brand Quaker Oats. At present, over 50 percent of Frito-Lay India's offerings are locally developed, and it wants to increase this further. Hence the Aliva.

#### A New Category

"After Kurkure's enormous success, Aliva marks the beginning of a new baked savoury cracker category— borrowing the ingredients, textures from biscuits and flavours from namkeens and developed after two years of research. We aim to replicate the Kurkure success with Aliva. We are bullish about it and want see it grow faster than Kurkure," adds Mukkavilli, one of the early members of the team

that launched Pepsi in the country.

Mukkavilli further informs that the launch is part of the portfolio transformation strategy of the company. The launch is also an attempt to capitalise on the growing salty snacks market, worth around Rs 2,500 crores and the Rs 8,500-crore biscuits market.

Frito-Lay looks at Aliva as a significant step in providing healthier and



**Mr. Gautham Mukkavilli**  
CEO, Frito-Lay India and  
President, PepsiCo, India



tasty snacking options in line with the consumer needs, thereby creating a new sub-segment of savoury crackers in the larger biscuits category, dominated by Britannia, Parle and ITC Foods.

### Going Desi Again

Though locally developed, Frito-Lay has given Aliva a universal name, while the predecessor Kurkure has a purely Indian name. When quizzed on this, Mukkavilli explained that going by the huge initial response received at the pre-launch testings, "we decided to give it a universal name, because we are sure that Aliva will also be a global product soon." Aliva has a circularly triangular look made of wheat and cereals, and has no artificial flavours or colours and has zero trans fat.

On the business expectation from Aliva, he says, "we want Aliva to get as big as Kurkure or even bigger." Aliva will be manufactured at the Ranjangaon plant, near Pune, where it has put up a new state-of-the-art baking line. Frito-Lay's second manufacturing facility is at Channo in Punjab.

### Snack Healthy

Explaining consumer insights that

went behind creating Aliva, marketing director Deepika Warriar said, "Aliva is an innovation specially created, keeping the Indian palate in mind. We continuously keep our ears to the ground, which is what makes us the leaders in our business."

Stating that Aliva will enable consumers to snack smart with no compromise on great taste, the PepsiCo veteran Warriar said, "Aliva is backed by extensive market research and has been developed on the basis of consumers' need for a flavourful yet healthy snack. Our initial market testing has been extremely encouraging."

On pricing, she said Aliva will be available in the market from mid-June at an introductory price of Rs 12 for a 60g pack (actual MRP is Rs 14). However, it can be noted that the brand may not have a price advantage as rival biscuit brands come considerably cheaper. For instance, against Aliva's Rs 12 for a 60-gram pack, Parle's Monaco is available at Rs 7 for a 75gm pack, ITC Foods' Sunfeast Snacky at Rs 10 for 100gm and Britannia's 50-50 is much cheaper at Rs 7 for 65gm. Frito-

Lay would have to compete hard with the market leaders like Britannia, Parle and ITC Foods not only on the price front but also on the familiarity aspect. Already, Kurkure and Desi Beats are in a tussle with ITC's Bingo in the Rs 3,200-crore branded snack market.

Aliva is targeted at the young adults in the 30-plus age category. It comes in four distinct flavours — Special Bhindi Masala, Tomato & Roasted Spices, Mint Flavour with Herbs, and Original Salted, according to Warriar.

### Touching a Million

On marketing and communication, executive vice-president for marketing Vidur Vyas says they've drawn up an intensive consumer activation campaign for Aliva. The 360-degree campaign would involve mass media and an extensive ground-level activation at PoS and around large residential colonies. The integrated campaign will revolve around the core proposition of the product—'Chatpate Crackers with Wheat & Daal.' Consumer activation would also involve a massive product sampling involving over a million consumers, he informs.

The company has no plans to rope in a celebrity to endorse the brand, while all its major brands are endorsed by leading celebrities like Kareena Kapoor, Saif Ali Khan, Juhi Chawla and MS Dhoni. Asked why, Mukkavilli quipped, "the brand itself is the message."

On competition, Mukkavilli said Aliva is a new category of its own and hence there's no direct competition. ■

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## Can 'Aliva' be KURKURE?

- Launched with an eye on both the biscuit and the snack market after two-years of research.
- Available in four flavours, and unlike Kurkure, brand name sounds international.
- No celebrity endorsements.
- Priced at a premium to its competitors Britannia, Parle and ITC biscuits.
- Kurkure, launched in 1999, soon became Frito-Lays most successful product available in nearly a dozen flavours.
- Kurkure is the biggest contributor to Frito-Lay's Rs 300-crore revenue kitty.
- Available in offshore markets like South Africa, Pakistan, Kenya. To be launched in US.

