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Pepsi, Unilever revive ice tea project in India

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FOOD and beverages major PepsiCo and FMCG giant Unilever are reviving their joint venture in India by re-introducing their global product, Lipton Ice Tea, in the country.

The JV's Indian arm has launched two new flavours of the ready-to-drink ice tea, after it was withdrawn around seven years back when the JV entered the country.

PepsiCo India spokesperson said the JV is re-introducing the product as the current market is favourable for such items, with increasing awareness. "Ice tea is a niche, but fast-growing category. Young urban adults, in particular, are looking at healthier options such as ice tea," the spokesperson said. In fact, even within ice tea, consumers are increasingly accepting green ice tea as a healthier option, he added.

In 2003, PepsiCo and Unilever formed a global 50:50 joint venture — Pepsi Lipton International — to manufacture and market Lipton Ice Tea variants in 67 countries. The JV entered India in 2004. However, Lipton Ice Tea (LIT) was later withdrawn from the market as the product was "way ahead of those times".

"When LIT was launched in India in 2004, the product turned out ahead of its time. Consumer insights revealed there was a gap between intent and action when it came to consumption of health beverages," he said.

The PepsiCo and HUL decision to relaunch the ice tea comes at a time when rival Coca-Cola introduced ice tea brand 'Nestea' in bottles in partnership with Nestle. Lipton Ice Tea will add to PepsiCo's health and wellness product portfolio. The company's other health products include Quaker



Thirst quencher

■ The JV's Indian arm has launched two new flavours of the ready-to-drink Lipton Ice Tea

■ PepsiCo will launch Lipton Ice Tea in a PET format in Delhi-NCR and other markets

■ HUL is launching it in large format retail outlets in 28 cities, as well as in tetra format

Oats, Aliva, Nimbooz, Tropicana 100 Per cent and the recently launched Lehar GlucoPlus, from its JV with the Tata Group.

Talking about the new product, PepsiCo India, executive director — Innovation, Geetu Verma said: "Lipton Ice Tea is a global product that offers a combination of great taste and refreshment on the go. We are confident that the product will resonate strongly with our target audience."

While PepsiCo will launch 'Lipton Ice Tea' in a PET format in Delhi-NCR and other markets across India in a phased manner, HUL is launching it in large format retail outlets in 28 cities, as well as in tetra and powder formats.

"We strongly believe that PepsiCo's strengths in Quick Service Restaurants (QSRs) and Hindustan Unilever's strengths in modern trade (MT) and family grocer channels will help grow this nascent category," Hindustan Unilever, GM-beverages, Arun Srinivas said.