

Bisleri company profile



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According to a report by Ikon, a marketing consulting company, the packaged water industry is estimated at Rs. 8000 crore currently and is expected to touch Rs. 10000 crore by the end of the fiscal 2012-13. It may also touch the Rs. 15000 crore mark by 2015, according to the report. The industry has seen a compound annual growth rate of about 19%. Parle's Bisleri has the highest market share of about 36%, followed by Coca-cola's Kinley which has a market share of about 25% , followed by Aquafina which has a market share of about 15%. India's percapita consumption is about 30 litres which is less than the global average of 40 litres. In India, South India tops the consumption followed by Western India which is the home for all the major national packaged water brands. In the Natural water category, which is a niche segment where the brand Himalayan water has been a leader has now entered into the Indian market, after being overtaken by the Tata group.

Company Profile of Bisleri :

- History :

(1) Bisleri was originally an Italian company created Felice Bisleri, who first brought the idea of selling bottled water in India. Bisleri then was introduced in Mumbai in glass bottles in two varieties - bubbly & still in 1965.

Parle bought over Bisleri (India) Ltd. in 1969 and started bottling water in glass bottles under the brand name ' Bisleri'. Later Parle switched over to PVC non-returnable bottles & finally advanced to PET containers. In 1995 Ramesh J. Chauhan started expanding Bisleri operations. In 2003 Bisleri announced its venture to Europe. All shares are held by Mr Ramesh J Chauhan and his family.

The brand name Bisleri is so popular in India that it is used as a generic name for bottled water.

According to the company's website, Bisleri invests 10 million litres of rain water every year. More than just an initiative it's a clear reflection of Bisleri's outlook to life, whether it's products, people or profitability. As one of the world's most trusted brands, Bisleri is leading the way in bringing about positive change in our daily lives. Some initiatives involve small communities, others involve the entire population, but they are both a part of the meaningful revolution called the Aqua green revolution.

- Vision:

(2) According to the company's website the vision of Bisleri is : The Aqua Green Revolution began with an ambitious dream: An India in which every person has uninterrupted access to scientifically purified and fortified drinking water, irrespective of geographical barriers or economic limitations.

- Product:

Besides Mineral water, Bisleri also produces Bisleri Soda and Bisleri Veda Natural Spring water. The purification process of Bisleri mineral water involves a six-stage purification process.

In the first stage, the ground water is ozonized to destroy the virus and bacteria. The next step involves purification by sand filter which removes coarse particles up to 30 microns in size. A carbon filter is then used to remove color and odor, followed by Reverse Osmosis to filter harmful minerals and salts. The following step involves fortification of water with minerals. Finally the water is ozonized once more to ensure zero-

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contamination during packaging and storing. Bisleri with added minerals is available in 250 ml, 500 ml, 1 litre and 2 litre bottles and 5 litre, 15 litre and 20 litre jars.

- Price:

Product No. of Bottles in case MRP/Case

250 ml 24 144

500 ml 20 200

1 litre 12 180

2 litre 9 225

5 litre 1 35

15 litre 1 60

20 litre 1 80

- Promotion :

Bisleri is promoted through TV and print media aggressively. Every opportunity to interact with the customer is used to promote the product. For example, all the vehicles used for supply are painted in green, bearing the BISLERI logo and slogans like " Drink and Drive". In 2008, competing with the other brands in the mountain water category, the brand adopted a tv commercial that reflected spirituality, carrying the tagline " The sweet taste of purity". The company has also started a new campaign called " Stay

Protected” which is an extension of their own earlier “ Play Safe” and the television commercial concentrated a bit more on the protection aspect.

- Distribution:

Bisleri currently has 25 bottling units and about 5000 vehicles for distribution. Throughout the country, Bisleri has about 3, 50, 000 retail outlets. Manufacturing operations are done in 18 places in India. For the 20 litre jar, the company has introduced a home delivery system which is done by a specialized distribution system. Bisleri distributes in 3 phases :

1. Direct distribution through roadways
2. Through Local distributors to retail outlets.
3. Home delivery with the help of small depots inside cities.

Company Profile of Aquafina :

- History:

Aquafina is a bottled water brand owned by PepsiCo. Aquafina was first launched in Wichita, Kansas, USA in 1994. It started distributing nationally throughout America by 1997. It started operating in India from 1999 starting from the city of Bombay and nationally throughout India in 2000. As of the year 2007, it became America’s biggest selling bottled water brand by sales volume.

- Product :

Aquafina adopts a process called Hydro-7 process which is a seven stage purification process. The water is originated from the public sources and it undergoes reverse osmosis followed by underground and ozone sterilization.

It removes impurities like chlorides, salts and other substances that affect the water's taste.

Aquafina also claims that its bottles are 100% recyclable. Aquafina also meets the stringent national and international standards set by the World Health Organization (WHO) and the Bureau of Indian Standards (BIS).

In addition to bottled drinking water, Aquafina also has a range of different products like Aquafinaflavorsplash - which is flavored drinking water, Aquafina Sparkling - which is carbonated water. However the production of Aquafina Sparkling was discontinued in 2010 in the US. Health conscious products like Aquafina Alive and Aquafinaplus+ are also produced by Aquafina - which are low calorie and vitamin enhanced products.

- Price :

Product Price(INR)

300 ml 5

500 ml 8

1 litre 12

2 litres 25

25 litres 260

Promotion :

Aquafina has started advertising in a new way by launching 'What a body' campaign. It helped the brand reach out to different market segments.

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Through Aquafina, Pepsico has started water conservation initiatives and creating awareness about Pepsico's efforts to conserve water. Aquafina promoted the brand through tv commercials, by using catchy slogans like "Purest part of you". It also entered into tie-ups with the Railways and other public places like Departmental stores, Multiplexes etc. thereby promoting the brand aggressively.

- Distribution :

Throughout India, Aquafina has about 19 bottling plants. Aquafina bottled water is available in all the parts of the country with about more than half a million outlets selling the brand.

Company profile of Kinley

- History :

Cocac-cola introduced Kinley into the bottled water market in August 2000. Bisleri, which was already a leader in the market of purified mineral water, had a market share of greater than 60% and the term Bisleri was being used as a generic term for mineral water. Kinley established around 20 water plants throughout the country and was in the process of setting up 15 more water plants within the next one year.

The situation at the time when Kinley forayed into the bottled water market can be examined with the help of 5C approach.

- Company :

Coca-Cola already enjoyed a strong brand image in the market with the likes of soft drinks like Coca-Cola, Limca, Thums up etc. It also had strong supply and distribution channels.

- Competition :

Coca-Cola's major competitor at the time of its entry into the bottled water market was Parle. With a growth rate of about 40% for 10 years, Parle's Bisleri earned the faith and the loyalty of the customers in provide safe and pure drinking water.

- Category :

At the time of starting its operations, three categories were much popular in the bottled water market. Pouches were popular in rural areas because of their easy availability and also the price concerns. The bottles of 500 ml to 1 litre were being sold in all kinds of retail outlets. There was also a huge demand for bulk quantities (of about 20 litres) in the households as well as the corporate.

- Context :

Because of the scarcity of water in most parts of the country and also the increasing health consciousness among the people of India, the number of people moving towards mineral water is increasing.

- Collaboration :

Since Coca-Cola has a well managed distribution system, it collaborated with restaurants, supermarkets etc. and distributing its products across a variety of retail outlets.

Under these circumstances, Coca-Cola launched Kinley, first across a variety of Southern metros and later it spread to all other places nationally.

- Positioning :

The brand Coca-Cola already enjoyed a trustworthy position in the Indian market and it also had an efficient distribution system. Under the initiative of “ Boondh Boondh mein Vishwas” it portrayed itself as a brand of “ trust” and “ purity”. The company stood on the belief that “ The right to pure, safe drinking water is fundamental”.

- Product :

In 2000, 500 ml pack was launched. This was followed by 1 litre, 1.5 litre, 2 litres, 5 litres, 20 litres and 25 litres by 2002. Targeting parties and special occasions, Kinley introduced 200 ml cups. Also, the 200 ml pouches were available to cater the needs of the rural areas where price is an important concern. Reverse osmosis and latest technology is used in the purification of water. The company also started ‘ easy to hold’ bottles in 2008.

- Price :

Product Price

200 ml (pouch) Re. 1

200 ml (water cup) Rs. 3

500 ml Rs. 5 (in Delhi)

Rs. 8 (Rest of India)

1 litre Rs. 10

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- Place :

Kinley was first available in the Southern Metros and then the company started distributing them nationally. The 200 ml water cups were made available in Chennai and Gujarat before introducing them across the country. The 200 ml pouches were first tested in selected areas of Gujarat before marketing them across India.

- Promotion :

Kinley launched the campaign “ Boondh Boodh mein vishwas”. In the words of Coca-Cola, “ Kinley brand personifies trust which is a key attribute in the packaged drinking water segment. Our product attribute matched with the brand positioning is a key reason that the brand has done so well in market despite aggressive and low price competitors.” Kinley started a new campaign “ Vishwas Karo” in 2009.

Kinley beat Bisleri in 2002 in retail segment (500 ml to 2 litres) where Bisleri continued to be the leader for about two decades. It held a market share of about 35. 1% while Bisleri held the second position with a market share of about 34. 4%. Currently, while Bisleri enjoys to be the number one brand in both retail and bulk markets, Kinley holds the second position.

Company Profile of Himalayan bottled water

- History :

In 2008, Tata took over Himalayan bottled water, a product of Mount Everest Mineral Water to cater to the needs of urban and health conscious market. The company maintains that the water is unprocessed and untouched and is

straight away packed from the natural resource. In the words of the CEO, Pradeep Poddar of Mount Everest Mineral water, “ The launch would be our first transformative step in actualizing our vision of creating ‘ next generation’ beverages with water on the platform of wellness, starting with natural mineral water. In future, we would be straddling the entire consumer pyramid with breakthrough, functional and nutritionally enhanced offerings, making this an exhilarating journey - in our quest to make water truly the elixir of life.”

- Strategic Planning:

The TATA group forayed into the mineral water industry by acquiring a stake of about 32 percent in Mount Everest Mineral Water which is actually a good move as they got hold of a brand that’s already existing in the market and by getting hold of such a large stake, it gets control of majority of the decision making processes of the company. Himalayan is internationally accredited by the US FDA, the European Union, the health ministries of Japan and France. It is a ISO 9001: 2000 company that is the only Indian brand of mineral water that is internationally accepted.

- Segmentation :

Based on the type of bottled water, this category is segmented into 1. Natural Mineral Water - directly packaged from the source and unprocessed and 2. Ordinary Mineral Water - this segment involves treatment with chemicals before packaging. TATA is the leader in the Natural mineral water category. Before acquisition by TATA, the Himalayan water used to cater to the institutional and the international customers.

- Targeting :

The target for Himalayan water included the following segments - Institutional customers and the customers willing to pay a premium. The institutional customers include multiplexes, restaurants, airlines, corporate companies etc. The other segment includes those people who are ready to pay a cost higher than the others. The company mainly targeted those who will be ready to pay Rs. 25 for a bottle of water.

- Positioning :

With TATA taking over the brand, Himalayan mineral water got a boost in India as TATA is a trusted brand. The television commercials in the ads used the statement : " Go back to the nature untouched, unprocessed pristine water from the Himalayas that took 20 years gathering nature's goodness for you." With a slogan - " Live Natural". The USP of Himalayan mineral water is that it is unprocessed and it is packaged straight from the natural source.

- Product :

Himalayan Natural water is available in 200 ml, 500 ml, 750 ml, 1 litre, 1. 5 litres and 2 litre bottles. The bottle design was created by Rediffusion DY&R , actualized by SIPA, Italy. The water is collected after it flows through clay, stones and river streams collecting different types of minerals with it for about 20 years. The company plans to introduce new variants of the product keeping in mind the different market segments.

- Price :

The 750 ml water bottles were priced at around Rs. 250 for the corporate and the multiplex segments while it was Rs. 18 for the retail segment.

Though the price is much higher than the other mineral water products of other companies which cost around Rs. 10-15, it is highly competitive when compared with its competitors in the natural water segment - Eviane by Danone and Perrier by Nestle since it is priced at a rate 1/4th cheaper than the others in the " premium natural water" market.

- Place :

The plant is primary located in the Daula Kuan Region of Sirmour District of Himachal Pradesh. The company has plans to expand with the help of distributors in various parts of the country. Initially, it made use of its already existing and large distribution network of TATA tea. Himalayan water started being distributed in as many as 19500 Tata tea retail outlets as well as other retail shops through the help of the large distribution network of Tata tea.

The company started distributed Himalayan water across the country - in all the metro cities and also in places like Goa, Pune, Cochin which attract a fair amount of tourists. The company also entered into a joint venture with Pepsico., which is already a leading company in liquid company so as to leverage its distribution and marketing, thereby establishing Himalayan brand as a leader in Natural water. According to the company's website, " Himalayan natural mineral water's clientele includes luxury hotel chains like The Taj, The Oberoi, Marriott, InterContinental; premium airlines like Jet Airways; leading multiplexes such as Adlabs; fine dining restaurants like Zodiac Grill, China Gate, Golden Dragon, Indiana Jones, and Frangipani among others."

- Promotion :

The promotional campaign was handled by Rediffusion DY&R with a television commercial that had a slogan “ Live Natural” emphasizing the USP of Himalayan Natural water. The Brand is advertised focusing on the fact that the water has been untouched or unprocessed – straight from the natural source, where the water has been flowing across river streams acquiring minerals, for about 20 years. In the words of Abanti Sankaranarayanan, executive director of Mount Everest Mineral Water, “ The launch marks the beginning of an exciting journey aimed at redefining the entire category of bottled water. We have a unique proposition of ‘ hydration with wellness’, which will embrace all brand offerings in future. The brand communication is designed to narrate the mysticism of Himalayan to evoke an intimate tone with the consumer. The packaging is contemporary and aspirational and conveys the style quotient of the new Himalayan natural mineral water,”