

Real juice analysis

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Market With an annual consumption of more than 300 million litres (Source: Tetrapak India Study), fruit juice is not an alien concept for the Indian market. However, a very large part of the Indian consumer today feels alienated when fruit juice is packaged. Perhaps, that is why packaged juice accounts for only between 15% and 20% of the total juice consumption in India. Compared to the West, packaged fruit juice penetration, at just 4%, is still very low (Source: NRS 2005). Symbolised by the orange fruit, packaged juices and nectars are driven by fresh juice made at home and popularised by the street-side juice vendor.

Dabur Foods Limited (DFL) has always taken an uncompromising stand on these consumer barriers and has consistently been thinking out of the box for the last nine years, with a resolve to innovate and evolve new products. The Real concept of sweetened juices grew from the insight that Indian consumers preferred juice sweetened – not bitter as is commonly available in the West. It innovated variants like Litchi and Guava and also introduced the latest packaging technologies in the Indian market. These innovations, driven through Real and its sub-brands, have become accepted paradigms for the industry.

Innovations, coupled with rising affluence and the justarrived consuming class have injected new life into this Rs. 300 crore (US\$ 66. 7 million) market – today growing at 40% per annum. Achievements With an innovative range, Real has driven the growth of the packaged fruit juice market in India. Along with its sub-brands, Real commands a market share of more than 50% in the packaged juices and nectars market (Source: ACNielsen, December 2005), achieving for itself a position of an undoubted category leader.

The most important achievement of Real has been introducing the taste dimension into a category traditionally driven by health and dogood properties. With Real, DFL was also able to segment the market early, thus effectively creating a differentiated niche in the no-added sugar juice category with its sub-brand, RealActiv. The success of this variant was demonstrated in numbers, when Real-Activ garnered two-thirds share in the no-added sugar juice category within six months of its re-launch in 2005 (Source: Tetrapak India).

Today, Real and its sub-brands retail across 100, 000 retail outlets and 4000 food-services accounts, selling approximately 4. 5 million packs every month to more than one million consumers. Testimony to Real's achievements has come from various quarters. While a host of brands – domestic and international – have entered this high growth market in the last few years, Real continues to be the brand consumers trust the most. In this context, Real won the Platinum award in the 9th Reader's Digest Trusted Brands Survey in the Juice category, for the year 2006.

A Platinum award means that Real achieved a rating score of more than three times its nearest competitor. Since 2002, Real has been consistently winning the award for the Highest Sales Growth achieved by a brand in a non-dairy product category, at the National Dairy and Beverage seminar - Innovation for Growth – organised by Tetrapak. History The introduction of Real fruit juices and nectars was triggered by a personal unmet need of Amit Burman, the CEO of DFL who, on returning to India after working in the US, found the absence of packaged fruit juices frustrating.

Traditionally, drinking fruit juices in urban India has been a social indulgence or consumed for seeking health benefits. DFL foresaw the imminent inflection point in this consumer behaviour, glimpses of which were already being witnessed in rapid urbanisation, growth in income and lifestyle changes. Also Dabur was in an ideal position to grow on the potential of the processed foods category. Its understanding of the Indian consumer, experience in managing natural foods and expertise in creating and marketing successful consumer brands was a rare mix that gave it a cutting edge.

Acknowledging these positive indicators, DFL introduced the Real range in 1996 as India's first completely natural, healthy, packaged fruit juice with no preservatives. The value add-ons revolved around several factors – ready availability of great tasting, natural, preservativefree juices in a range of fruit variants, availability in all seasons; convenience of open-pour-anddrink packaging; complete hygiene; and a healthy beverage option that gave consumers more choice. Recognising the trend that an increasing number of Indians were eating out, DFL also identified the institutional opportunity much earlier.

In fact as early as 1998, Dabur became the first fruit juice company to set up a separate food services division to cater to the institutional segment. This division also partners and develops customised solutions for hotels, 156 SUPERBRANDS airlines, restaurants, caterers and hospitals. However, the road to success for Real was not a smooth one. It had to understand the very special Indian nuance of adding sugar to fruit juice extracted at home. The

second learning was the fact that Indian consumers believe that packaged juices are inferior and become stale over time and that chemicals are added to extend shelf-life.

Dabur invested considerably in convincing consumers that Real fruit juice was natural, preservative-free, healthy and convenient. But perhaps, the biggest challenge was developing a food-sensitive warehouse-management training programme at all levels of the channel to ensure that the freshest product reached the market. Recent Developments In recent times, Real's single most important endeavour has been to drive relevance through segmentation and widen brand appeal. With a view to attract consumers of fruit drinks into Real's portfolio, Real Mango Twist was launched in 2005.

Mango Twist is a unique blend of mango nectar with other fruit juices. It is available in two variants – Mango Orange and Mango Papaya. In the no-added sugar category, Real-Activ offers a range of healthy fruit variants like Orange and Apple and fruit-vegetable blend juices such as Orange-Carrot, Mixed Fruit-Beetroot-Carrot and Mixed Fruit-Cucumber-Spinach. Coolers, a range of summer fruit drinks is an occasion-led variant of Real, which offers variants made from fruits known for their cooling properties.

It is currently available in four variants – Aampanna, Watermelon-Mint, Lemon-Barley and Rose-Litchi. Product Targeted at the family, Real offers the largest range of fruit variety in its juice and nectar range. It has consistently innovated to re-define and strengthen its position in the Indian market. Real not only offers the most basic and generic-to-category variants like Orange

and Mango, but also an assortment of varieties like Pineapple, Mixed Fruit, Grape, Tomato and fruit nectars like Guava and Litchi.

On the more exotic side, Real also has Cranberry nectar. Research conducted by Blackstone Market Facts found that Real was preferred by over 50% of the respondents. Real was liked for being the better tasting juice – a category where likeability is primarily driven by taste. Ensuring that batch after batch of the right taste is delivered to the end consumer, DFL has instituted an internal taste panel, which evaluates every new product before it is sent out for product test or test marketing.

DFL also recognised very early that packaging was the cornerstone of innovation in this category. This was even more critical in today's environment where packaging has become so integral to the whole product experience and marketing communication. DFL was the first company to introduce cap on-pack. This enabled consumers the flexibility of re-use even as the cap helped retain freshness. Real uses the Tetrapak spin cap, cold fill technology and spill-proof double seal cap for packaging. This technology protects the juice and keeps it fresh longer.

The spin cap also makes it convenient to pour the juice without spillage. In introducing Real-Activ, Dabur became the first juice brand in India to offer the Tetra Prisma packaging format, which is easy-to-open and has better pouring control. ability to effectively use innovative merchandising opportunities and promotions at a local level – for example, merchandising Real at fruit kiosks – to draw out the association with fruits strongly and communicate the key brand benefit of 'As good as eating a fruit'. Promotion

At DFL, the belief is that brand equity can be developed by promotions that are strategic. The advertising campaign for Real communicates the key brand benefit of 'As good as eating a fruit'. While the family consumes the brand, the child is always at the centre of any communication. Besides the mainline communication, Real has also accomplished some innovative consumer promotions. Real Taste Challenge, for instance, was an interesting way to communicate the core benefits of Real and reinforce the brand's core position.

It involved asking consumers to identify the fruit by tasting the juice. When consumers guessed correctly, they were offered a trial discount on purchase of a one litre Real juice pack. The 'Real Fruit ka Juice' offer was an innovative national promotion in which consumers were invited to contribute fresh fruit in exchange for a pack of Real. The fruits collected at various centres were donated to local NGOs working for the cause of underprivileged children.

With Real, DFL is also actively involved in conducting consumer education programmes to promote nutritional awareness. These programmes are conducted at various levels – schools, doctors, nutritionists and corporates. In schools, the communication is centred on the concept of Power of 5, which conveys the importance of a well balanced, nutritious packed lunch for school kids. The doctors and nutritionists' programme is focused around the role of a septic technology in fruit juices, the benefits of packaged juices and about nutrition and safety.

The corporate programme, on the other hand, addresses the role of fruit juices in building a healthy lifestyle and importance of a nutritious diet in

disease prevention. One of the biggest assets for Real has been its teams' Brand Values. A housewife has succinctly put the essence of Real during a focus group session – “ Real naam se hee lagta hai real juice hoga. ” In the consumers' mind, Real stands for authentic fruit juice, which defines the standard of taste and quality. As a brand, Real radiates originality; it offers the most novel products, fruit variants and a taste that the consumer is familiar with.

The core essence of the brand is Original Goodness tangibly displayed by delivering healthy juices through tasty fruit variants. www.daburfoods.com

THINGS YOU DIDN'T KNOW ABOUT Real Fruit Juice Real is India's first packaged fruit juice brand. Real and its sub-brands served more than 140 million juice helpings last year. 75% of all mocktails served in India are made from Real juices. The number of packs sold by Real last year, laid side-by-side, would exceed India's coastline of 7516 kilometres. Evolution of the Real packaging SUPERBRANDS 157