

Parle launches musst
chips and sticks to
take on fritolay's
kurkure



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India's growing economy with rising disposable incomes is evoking a strong interest in convenience foods. Segments like ready-to-eat snacks, ready-to-eat juices, which are popular among teenagers, are seeing new entrants regularly. Parle Products Ltd, has made a quiet entry into the organised snacks market recently with its offerings Musst Sticks and Musst Chips.

The company is known for its Parle biscuit brand. Speaking to Hindustan Times, Mayank Shah, group product manager of Parle Products said, " In the first year, we are looking at garnering a volume market share of 20 per cent in the branded snacks segment. We have introduced these products in parts of Maharashtra like Pune, Nagpur, Nasik and Mumbai. The call on the national rollout will be taken in a period of three to six months depending on the feedback. " The company had earlier rolled out a product Musst Bite, in the flavoured cheeselings segment but Musst Sticks and Musst Chips will directly compete with the likes of Kurkure and Bingo! The company has made an initial investment of Rs 10 to Rs 15 crore for the new snack brands and will dedicate 10 per cent of their sales to below-the-line promotions.

The organised snack market is worth over Rs 2, 000 crore and has two big players in the form of FritoLay India with brands such as Lays, Kurkure etc and ITC with its Bingo! brand. There are also brands like Haldirams, Balaji etc as well. Britannia, another big player has also extended its presence in the segment with its product 50: 50 Chutkule. Neeraj Chandra, vice-president, sales and marketing, Britannia said there is a positive outlook for the snacks segment, " Snacks are a large part of Indian consumption and the organised market is clocking double digit growth over the last few years. Teenagers are a big consumption segment of such products. " Anand Shah, a FMCG analyst <https://assignbuster.com/parle-launches-musst-chips-and-sticks-to-take-on-fritolays-kurkure/>

with Angel Broking feels that most FMCG companies are looking positively at convenience foods, “ Nestle, GlaxoSmithKline (consumer and healthcare), Parle, Britannia are all addressing the convenience foods segment in some way.

Apart from a growing economy, the advent of organised retail is also pushing the segment,” he said.