

## Vend It Like Beckham

Out-of-home is a hot emerging growth area for F&B firms.

TEA IS ONE OF HINDUSTAN Unilever Ltd's (HUL's) main categories, what with Brooke Bond figuring amongst its five biggest brands. Of late, a fair bit of HUL's tea—and coffee, along with some soup—is being consumed out of homes. Result? A thriving out-of-home market. Nobody's tracking it (ACNielsen ORG MARG's retail audit tracks only retail stores), but HUL estimates that just the premium channel would be worth Rs 1,500 crore, and is galloping at 23 per cent per annum.

HUL's out-of-home portfolio is driven by vending machines built in-house and configured to offer not just the customary cuppa. At the push of button, consumers can avail of tea bag-tea, ice-tea, cardamom tea, freshly-brewed coffee, cold coffee and soup. The brands in play in the out-of-home segment are Lipton (tea), Bru (coffee) and Knorr (soups).

If out-of-home is a big market for HUL (and other players like Nestle and Coke; Pepsi has an alliance with Lipton), it's simply because consumers today are spending less and less time at home. If they aren't at office, they could be at a restaurant or a multiplex or a mall. So, Lipton and Bru machines can be found at banks (ICICI Bank, HSBC), IT/ITES companies (Infosys, Dell, Wipro), fast-food chains (KFC, McDonald's) and multiplexes like PVR and Adlabs. What's more, eating out is a phenomenon that's gaining ground; this, as Shrijeet Mishra, Executive Director, Foods, HUL, points out, opens up a slew of possibilities for his company. Just a few of these include cakes, cookies, jams, bread and sandwiches.

In line with its segmentation strategy across its product categories, HUL has broken down the out-of-home market into three segments—the top-end (tea bags), the 'massige' segment (freshly brewed coffee, ice-tea, cold coffee) and the 'penetration' segment (cardamom tea, Bru coffee). HUL claims to be serving up 1.7 billion cups annually. And it has only just begun.

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HUL's Mishra: He's looking beyond the customary cuppa

