

HUL pips Nestle in instant coffee

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Mumbai, Jan 18: FMCG major Hindustan Unilever Ltd (HUL) has pipped Nestle India to gain volume leadership in the branded instant coffee sector in India. In the September quarter of FY 2011, HUL has garnered a 51.1 % market share while Nestle India's share stood at 48%, according to data from market research firm Nielsen. Interestingly, in the June quarter, Nestle's Nescafe had led the market with a 51.9% market share, while HUL's Bru was second, with a 47.9% market share. The Rs 300-crore instant coffee sector will witness a lot of action as lead players HUL

sadors of Bru to take on Nescafe's star endorsers. At present, HUL is gearing up to launch a high-voltage ad campaign in February this year. In the overall branded coffee sector which includes roasted & ground category, HUL currently leads the pack.

Meanwhile, Nestle India is adding on star power to its current Nescafe ad campaigns which features cine star Deepika Padukone. With the tagline 'Switch on the best in you' Nescafe's new commercial now features Karan Johar, Purab Kohli and Deepika Padukone. On the other hand, HUL is sharpening its focus on rural activation



IN SEPTEMBER QUARTER, HUL GARNERED A 51.1 % MARKET SHARE WHILE NESTLE INDIA'S MARKET SHARE STOOD AT 48%, REPORTS NIELSEN

and Nestle India are fine tuning their marketing operations to gain a competitive edge in this sector.

"As the seasonal consumption pattern of coffee changes, the market share pattern also varies from quarter to quarter. So the neck-to-neck competition between HUL and Nestle will continue," said an industry analyst based in India. Clearly, a new marketing storm is brewing in the Indian coffee cup.

To sustain its leadership in this sector, HUL is putting in place an integrated marketing plan which includes, power-packed television campaigns, rural activation programme and micro marketing initiatives. For starters, HUL has just roped in cine stars Shahid Kapoor and Priyanka Chopra as brand ambas-

and sampling activities to woo consumers. "On ground activation was undertaken to build instant coffee market in rural and small towns through product sampling. We recognized that sampling alone wouldn't suffice and consumers needed to be educated about the product's role in their life," said a spokesperson from HUL.

In the Rs 2000 crore branded coffee sector in India, lead players HUL and Nestle are beefing up their operations to drive volumes. "HUL & Nestle's sales revenues from the coffee segment are in the region of Rs 800 crore each, annually," said an industry analyst based in Mumbai. Interestingly, HUL pipped Tata Global Beverages (TGBL) to become the market leader in the Rs 7,500-crore branded tea market in September last year.