

## HUL Plans a 'Traditional' Breakfast Date with You

Consumer goods co to launch breakfast options such as khichdi, upma in a move that's different from its earlier focus on westernised products

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**Mumbai:** Hindustan Unilever (HUL), the country largest consumer goods firm, plans to launch traditional South Asian breakfast options such as khichdi, upma and pongal in a pronounced deviation from its earlier strategy to familiarise the Indian shopper with a more global menu, which included noodles and pre-mixed soups.

The new products, made of millets such as jowar and bajra under its ayurveda brand Ayush, will mainly compete with MTR, Kellogg's, PepsiCo and Marico in the ₹3,000-crore breakfast market, where consumers have been switching from western cereals to either traditional Indian or healthier alternatives.

HUL's entry into the segment is also seen as a pre-emptive move aimed at taking the fight to Patanjali, which sells dalia, corn-flakes and

oats but also has plans to launch similar products later this year.

The Indian unit of Anglo-Dutch consumer giant, however, said it will address some of the key barriers such as use of preservatives and health concerns around packaged foods that have led to the low consumption of such items in India.

"Lever Ayush Foods marks our entry into the health and naturals food segment. With our brand vision of traditional ingredients being made contemporary, we will be able to democratise the benefits of ayurveda inspired recipes to the Indian consumer and do our part in making India healthy," said Getu Verma, executive director - foods at HUL. It is test marketing the new range in Chennai.

In India, the packaged food market is heavily skewed toward biscuits and salty snacks that together is nearly ₹50,000 crore in size. In comparison, other food seg-

### Fresh on the Menu

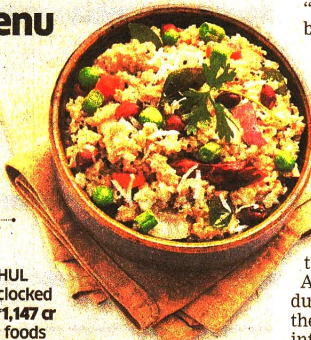
**HUL will compete with MTR, Kellogg's, PepsiCo and Marico**

The breakfast food market is seen at **₹3,000 cr**

Consumers are gradually switching from western cereals to Indian or healthier alternatives

Packaged food market in India is nearly **₹50,000 cr**

HUL clocked nearly **₹1,147 cr** from its foods division during FY18



ments, especially the breakfast cereal industry, has not made much progress as it has failed to convince Indians to switch their eating habits. When making a choice, In-

dians have always preferred health to taste. With products such as corn-flakes hit by the convenience and lifestyle trends, there is also a bigger appetite for protein

over carbohydrates.

"Indians are moving to packaged breakfast options and the main switch is happening between traditional, home cooked breakfast to easier solutions like ready to cook or eat options," said Aditya Bagri, director at Baggry's that sells muesli, oats and corn-flakes. "There is a segment looking for healthy or functional stuff and also for solutions to our traditional foods made easy."

Analysts also expect such products to eventually compete with the likes of ubiquitous udipi joints and Irani cafes that cater to most out-of-home breakfast eaters. Some cereal segments have been growing well - especially those perceived as healthy, such as oat-based products that have seen Marico or PepsiCo's Quaker Oats launching masala variants to cater to the Indian palette.

HUL, which sells brands such as Knorr and Kissan, clocked nearly ₹1,147 crore from its foods division during FY18. Ayush, which was originally launched in 2001, was relaunched in the personal care space with several mass-market products ranging from toothpaste and skin cream to soaps and shampoos.

The market has also seen shifting consumer taste toward natural or herbal brands, mostly in personal care, especially after Patanjali's entry.

While growth at the Baba Ramdev-led firm has tapered off, newer players could add to competition. Last month, Nestle India announced that it will add breakfast cereals from joint venture Cereal Partners Worldwide to its portfolio.

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