

Emami to re-launch Zandu brand

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FMCG major Emami Ltd is planning to re-launch the Zandu brand by repositioning its portfolio as a solution provider to lifestyle disorders.

According to Harsha Vardhan Agarwal, Director, the re-launch and repositioning is likely to happen between July and December.

The move comes after the company carried out a successful pilot in Andhra Pradesh over the past two years.

One of the five power brands from the Emami stable, Zandu has been one of Emami's famed acquisitions, made nearly a decade back in 2008. (The four other power brands being Kesh King, Boroplus, Fair & Handsome and Navratna.)

"We have been working on revamping and re-launching Zandu. The acceptance of Ayurvedic and natural products is increasing. For Zandu, it opens up more opportunities," Agarwal said in an interview to *BusinessLine*.

A London-based agency has been roped in for redesigning the logo and other packaging details of the brand.

New offerings

Zandu's new offerings will cover disorders such as digestive issues and diabetes. "We have worked on the products for quite sometime now," Agarwal said, adding that new product launches will happen, but that will not be "too many in number".

Currently, the brand has over 200 offerings mostly through syrups, tablets, spays, gels, balm and chawyanprash.

In FY-17, Zandu accounted for ₹530 crore or over 20 per cent of Emami's consolidated turnover.

According to a report by Edelweiss Securities, the Zandu portfolio has seen fluctuating fortunes over the last few quarters. It has been a mixed bag too, for the company. For example, in Q4 FY17, Zandu Balm, previously launched in spray and gel



Harsha Vardhan Agarwal, Director, Emami

formats, maintained its leadership position in the pain-relief segment and "Nityam" (churna & tablets) sales doubled; "Pancharistha" (digestive tonic) sales declined by 20 per cent.

'Right time'

In fact, Abneesh Roy, Senior Vice-President - Institutional Equities - Research Analyst, Edelweiss Securities, points out that this is "the right time" for refreshing the brand Zandu. Competitors

like Dabur have renewed their focus on Ayurveda and other MNC players are beefing up their ayush portfolio.

"Lifestyle disorders are becoming common in India. And people are looking at Ayurveda as a long-term help, with no or less side effects. In this context, the repositioning looks good. Moreover, a degrowth for Zandu in the last few quarters should make the case stronger towards new launches or a brand refresh," he adds.