

# Brands need to contribute to the wellbeing of society, says Marico CEO

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All the brands at Marico should have a purpose, and the purpose is more than just selling products, says Saugata Gupta, Managing Director and CEO.

The fast-moving consumer goods (FMCG) company that has Saffola, Parachute and Livon among its brands is eager to be an organisation that has a focussed purpose.

"Take the case of Saffolalife, which has been educating Indians on preventive heart care for over a decade. The entire thing is how do you make the country heart-healthy, and reduce the incidence of heart problems." He told *BusinessLine* at his Santacruz office in suburban Mumbai.

"If you have a sweet spot between a purpose and a strong brand equity, it's a win-win for

the consumer and society. However, it has to be a sweet spot and not a forced fit, which erodes brand equity." Saffola's portfolio spans product categories like edible oils, functional foods, and salt. The CEO says the company chooses to benchmark its products, "not with other cooking oils, but with the best advancements in heart care. There has to be a natural fit, though. Once you have taken up something unrelated, you are force-feeding the cause. Brands need to contribute to the wellbeing of society."

Even in the case of Shanti Amla hair oil, the purpose-driven campaign, in its fifth year, aims to empower women to bring about a positive change in society by contributing towards the education of children.

"The programme is success-



Saugata Gupta

ful because the Shanti consumer is typically a young woman who wants to unshackle herself from the way she has seen her mother. Her aspiration is to be much more. She wants to get educated, move ahead in life. It is a challenger brand as opposed to the competitor's established brand," adds Gupta.

Stating that a purpose-driven

branding effort should have a social benefit, Gupta insists that the company would attempt the social dimension only for brands that have a common fit. "If there is no natural fit, we will not force fit. We have to get a cause which we believe in, one that can drive discernable change as opposed to a short-term project. We will stay the course and be invested in the long term," he adds.

Nihar Shanti Amla has established education as a purpose of the brand, and earlier used to contribute 2 per cent of its sales towards children's education. "Earlier, it was 2 per cent. Now, 1 per cent of our profits go to the brand's social cause. We do long-term causes," adds Gupta. In its very first year, Shanti Amla partnered with non-government organisations on 19 projects

across 10 states in India to impact 36,058 children. Nihar also converted an entire village in Uttar Pradesh into a school.

## Ad spends dip

Spends on advertising and marketing at the FMCG company slumped 10.4 per cent to ₹137.15 crore in the fourth quarter ended March 31, 2015. However, during financial year 2015, the company's advertising and marketing spend was ₹649.82 crore, 15.8 per cent more than the ₹561.17 crore the company spent in financial year 2014.

Gupta insists that as society develops, brands develop. Maintaining that each brand has to foster trust and build equity, Gupta says helping the ecosystem realise its true potential is bound to help both the company and its brands, in the long term.