

BrandLine



BUYING HER WORD
Books to food, she can push them all P. 3

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Parachuting into innovation

Marico chairman Harsh Mariwala, who runs a well-oiled company, says innovation is the genesis of branding.

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What do you say about a man who lights a fire under coconut oil?

Harsh Mariwala has done that, he says, to ensure that his beloved Parachute coconut oil is available in a molten state year-round. Otherwise in winter you have to stick it in a mug of hot water.

That's innovation for you, says the chairman of the Rs 3,128-crore Marico. He describes how consumer needs pushed Marico to innovate and offer Parachute with a plug-in heating device in select markets.

Innovation is Mariwala's pet subject. He set up the Marico Innovation Foundation eight years ago with the idea of spreading the culture all over the country. He thinks innovation is the big differentiator for a company and the genesis of branding.

"Two things have made Marico successful – people and innovation," he says.

Now he's made it his mission to catalyse innovation in businesses, NGOs, and government through the Foundation. "It's our way of CSR," he says.

Every alternate year, the Foundation, which has people such as R. A. Mashelkar, former Director General of CSIR on board, gives out awards to best innovators. "This year we have over 400 applications," says Mariwala.

The awards will be given away in Mumbai tomorrow. Nandan Nilekani is getting one too for the UID programme. "The UID programme is a global game-changer," says Mariwala, pointing out how the Foundation puts together case studies of innovation and disseminates them. It has also tied up with management institutes and con-

ducts workshops on innovation for organisations. "We ask them how they would do things differently and catalyse innovation," he says.

Innovation, he says, is not the same as *jugaad*. To qualify as genuine innovation, it must be scalable and *jugaad* – which is born out of constraint – is not.

The example he gives is of washing machines being used to make *lassi*. Clever, but not scalable. But a scalable innovation is the cleaning up of Surat – a model that can be replicated in a big way.

Innovation has to create value as well as impact, he adds. He cites the example of Tata Swach water purifier or a Godrej Chotukool refrigerator or a Red Bus.

PEPPERED WITH WISDOM

About 90 per cent of Marico's top line comes from categories where Marico is No.1 in terms of market share, says Mariwala. Last month Marico overtook Dabur in the hair oil category for the first time. All this has come about due to innovation, he insists.

Parachute is his favourite case study, and he describes how Marico created a usage explosion through innovation. Right from the wide bottle that was introduced to make all-season usage of coconut oil easy, a piller-proof cap and sachets for rural markets to the newly introduced Parachute body lotion made with coconut milk, he points to umpteen innovations the brand has been introducing.

And it is continuing, he says, talking about the new Parachute hot oil variant – introduced after consumer insights suggested that Indians preferred to apply hot oil. "It also has black pepper added to it," he says. Fitting, because Mariwala means pepper-wala. The extended family is still in the pepper trade, he says with a grin, but "I tell them



Harsh Mariwala, Chairman, Marico – V. GANESAN

that copra is the commodity I love, and I have become a *telwala*."

The starting point for innovation, he continues, is research. Everything boils down to studying consumer habits, anticipating needs and coming up with a disruptive product. Take soaps where the trend is moving away from solid bars – the preference is shifting to liquid, gel or soap in face wash form, and products have to evolve.

"In hair oil, our major insight was that customers were moving from post-wash usage to pre-wash," he says, which is why Marico drove the concept of *champi* before shampooing in its campaigns.

ASPIRATION DRIVES INNOVATION

Can resources be a constraint in innovation?

▶ "The fact that the competitive environment in India is not as high as in other countries could be a reason for the innovation mindset not setting in."

Is that what has made India lag behind? "I don't hold with that view," he says, describing how aspiration and competition are big enablers of innovation. "Yes, the fact that the competitive environment in India is not as high as in other countries could be a reason for the innovation mindset not setting in."

Soon after our meeting, Mariwala is due to give a talk on institutionalising innovation in an organisation. He says it doesn't necessarily have to be CEO-driven but can be done through a structured process. It takes 3-4 years to introduce a culture of innovation at a workplace, and thereafter, it has to be constantly nurtured. "Openness, meritocracy, an informal, hierarchy-less atmosphere are all important enablers. But the key thing is to go on reinforcing it."

Every brand needs a continuous sense of innovation. And innovation is a group effort, he says. It goes beyond creativity and needs collaboration, persistence, experimentation and being open to failures.

The time for his talk is drawing near, and he bolts down his food in a hurried fashion. It's simple fare for a simple man who thinks only about bringing value to the consumer.

