

# Young & Restless Nudge Brands to Become Cool

Marketers are either repositioning their traditional products and services or launching new brands alongside to be relevant to over half of the country's population

LABONITA GHOSH  
MUMBAI

When Arrow shirts first came to India in 1993, they were the country's equivalent of the Black Tie attire – classic dress shirts that were to be worn only on very special occasions. They were among the most expensive in the country, and even the retail outlets projected the snobbery with their wood-paneled and pigeon-hole shelves reaching right to the top, which could only be accessed by ladders. "The stores had the look and hushed reverence of a library," says Rishi Vasudev, COO of Arvind Lifestyle Brands, of which Arrow is a part. "Each shirt had its own shelf, that's how exclusive it was." Early advertisements even advised consumers on traditional power dressing – how to knot the tie, what cuff links to choose.

A 2006 survey proved to be an eye-opener for the company. "We found that Arrow had become a specialist shirt, but it had aged with its presence in the country," says Vasudev, who joined the company in 2007 from competitor Louis Philippe. "Younger people saw it as their father's or uncle's brand – very expensive and inaccessible."

Arrow realised that its forbidding, formal look had alienated the new, emerging market of young consumers. A revamp was needed, and quickly.

Today, Arrow has expanded its range to include sporty casuals, T-shirts, shorts, sweaters and jackets, and an offshoot of its formal line, now re-positioned as work wear for professionals. "This is not for people with nine-to-five jobs, but for a young filmmaker going for an important meeting or a young restaurateur pitching to investors," says Vasudev. "The objective was to show that Arrow can also be young and colourful." The strategy worked. Since 2007, the company has grown at a 38% compounded annual rate, and the average age of customers (as evinced from its loyalty programme) has dropped to 31 years from the early 40s.

Arrow isn't the only marketer thinking young. A host of time-worn brands that have built tremendous equity over decades with Indian consumers – from Philips and Mercedes Benz to Titan and VIP – have repositioned their products and services to adjust to the changing demographics and the robust purchasing power of the youth.

"About 54% of our population is under 25 years and 72% under 35," says brands consultant Harish Bijoor. "Young people today are earning better than their parents, thanks to jobs in the new,

## Old Brand, New Audience...

BRAND	TRADITIONAL ATTRIBUTES	NEW ATTRIBUTES
Arrow	Expensive, Exclusive	Sporty, Casual, Colourful
Mercedes	For the Superrich	Sporty, Youthful, Fun
Fastrack	Hi-tech, Global Look	Stylish, Brash, Racy

## ...and the New Products for the New Market



**PHILIPS HI-TECH** headphones, android-based docking stations, Blu-ray players, grooming & styling products



**VIP SKYBAG** brand that has backpacks, smart-casual office bags, iPad sleeves, multi-country chargers

IN TWO years, Mercedes plans to launch four new-generation compact cars – the B-class sports tourer, the A-class family compact, a Baby Sedan and a Baby SUV – all in the ₹25-30 lakh segment and fully loaded with youth-specific features



energized sectors like IT and ITeS. They're also postponing marriage, which leaves them with single, undisputed incomes to spend on themselves."

Such brands are also resorting to radical ways – at least compared to the past – to reach out to their new audience. Not only are the media different – social networks and viral videos – but the campaigns too are with-it, and racy. Like, for instance, the TVCs for Fastrack Watches from Titan, which make it pretty evident that the product isn't for fathers or uncles or aunts. One spot, in which a teenaged lass gets rid of a certain piece of innerwear in her quest to draw attention to a discount offer on Fastrack watches and sunglasses, was even banned by most TV channels – only for the video to go wildly viral on youtube.

"Can you imagine an otherwise staid group like the Tatas – the promoters of Titan – celebrating promiscuity in their Fastrack ads?" asks Bijoor.

When Titan first launched its Fastrack brand for youngsters in 1998, timepieces were clearly not enough. Since 2005, Fastrack has in its range sunglasses, bags, belts and a host of style-statement products for youngsters, apart from an array of zippy, colourful watches.

Titan, a former partner of Philips, launched its Helix line in 2011 for the 18 to 25 age group. "Titan already had watches for the 35-38 year demographic," says CEO & MD V D Wadwa. "But we found a gap in the market in which to position Helix – people leaving their first job, who typically want watches that are trendy but not overly casual, something they could wear to work."

Titan's intentional design of George Gull from Milan, based India to study young consumers, and come up with watches that are sporty rich in detail, design and detail, and most importantly affordable. The Helix line results from ₹1,000 to ₹2,500, and 18 months after launch, contributes 7% to Titan's revenues.

Luxury car maker Mercedes Benz, which has traditionally hitched on its attributes of exclusivity and quality, realised it had to do something different to get closer to a younger, aspiring Indian. So it tied up with MTV and the Buddh International Circuit to come up with a programme called MTV Date with Speed, which combines a fun-filled college life with the excitement of motorsports.

Over the next two years, Mercedes plans to launch four new-generation compact cars – the B-class sports tourer, the A-class family compact, a Baby Sedan and a Baby SUV (in Mercedes terminology), all in the ₹25-30 lakh segment. The cars will come fully-loaded with youth-specific features like iPod connectivity, voice commands and seat memory. "In India, Mercedes is synonymous with luxury and wealth but globally we are known as a sporty brand," says sales & marketing director Debashis Mitra. "We needed to bring our sporty face to India."

Research done by AC Nielsen for Mercedes showed that while the brand had adequate brand

connect in the 36-45 and 46-60 age groups, it was at par with Audi followed by BMW in the 25-35 group.

Says Vivek Sharma, chief marketing officer at Philips: "If you can catch them in their early life stages, chances are they will stay with you later and become consumers for life."

Philips is pulling out all stops to catch them young. Apart from lifestyle entertainment products like high-tech headphones, android-based docking stations, home theatres and Blu-ray players, the company recently launched grooming and styling products for young men and women. The male grooming kit looks at youngsters in the 16 to 25 year group, or "as soon as they get a moustache and beard," says Sharma, while the women's range of hair stylers and curlers targets those who are between 20 and 30.

Even perceptibly old-world products like luggage have the potential to tweak the range to appeal to the majority market. And when the brand is a leader in its space, the imperative to shift gears is an even more burning. Consider VIP which, two years ago, launched Skybags, a brand that encompasses strollers with funky and bold designs, smart-casual office bags and a range of backpacks, all of which are aimed at a more "youthful" consumer group, says Radhika Piramal, managing director of VIP Industries. "When you have 30-40% market share, you can afford to start another brand," she adds. VIP has also launched laptop and iPad sleeves, multi-country chargers and a host of travel accessories, many of which are for young, global travellers.