

Our thrust is on building brands at home: Chand Das, ITC CEO (Education and Stationary)
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ITC's education & stationery products business continues its impressive growth trajectory, emerging as one of the biggest players in the exercise book segment with a market share of over 12%. The company is now evolving brands both for the home turf and export markets. The business has leveraged the ITC's environment-friendly paper, high-end knowledge of printing and its trade marketing expertise to successfully attain leadership. It has recently signed on stylish lefthander Yuvraj Singh and actor Soha Ali Khan as brand ambassadors. ITC's CEO (education and stationery products), Chand Das, shares insights with ET 's Anuradha Himatsingka about how the business is poised to grow in the coming years. Excerpts:

Does the education & stationery industry invest in serious brand-building? Is it one of the least advertised segments?

Education is a hugely advertised segment, whether it's IIPM or NIIT. The education stationery space is definitely awaking to the importance of brand-building. For instance, the pen industry spends nearly Rs 100 crore on advertising and celebrity endorsements represent 5% of industry turnover. All players are slowly expanding product baskets and distribution footprint.

ITC recently roped in Soha Ali and Yuvraj Singh as brand ambassadors. Is it the first instance of an education stationery player looking to make a serious brand-building effort? What's the rationale behind the move for a non-involvement category?

Not really, Sachin endorses Reynolds while Shahrukh is associated with Linc; Dhoni with Cello and Anil Kapoor & Sonam with Mont Blanc. Since the target audience comprises students and young adults, they tend to be easily influenced by youth icons. One in every two consumers enters a stationery store with a brand in mind! Brand ambassadors help in drawing attention in a media cluttered market and in making a brand aspirational. Which is why, the presence of brand ambassadors in this segment has surged.

What's the positioning of ITC's education and stationery brands? What will be the company's advertising strategy in this light?

The 'Classmate' portfolio comprises notebooks, pens, pencils, geometry boxes with more to come. The 'Paperkraft' portfolio consists of copier and printer paper, notebooks, notepads, markers and highlighters. While 'Classmate' is targeted at students, 'Paperkraft' is targeted at executives. The former is positioned as a brand that brings to life the big ideas in you and the latter, as a premium and green offering that empowers you to make a smart choice. Although our products pricing are marginally higher, but the value it offers far outweighs the price premium. We use a combination of ATL (above the line) and BTL (below the line) communication to engage with consumers.

How does ITC arrive at the right kind of look 'n' feel for products, especially in a crowded market?

The challenge lies in building a differentiated and superior product in every category at every price-point. This requires consumer insight, product benchmarking & building drivers of differentiation on product, packaging, communication etc. Apart from our in-house team, international market research companies like IMRB International as well as AC Nielsen to get an understanding of consumer insight.

How serious is the challenge of selling premium items in a price-conscious domestic market? How do you

take care of regional variations? Is it also a challenge to cater to global needs with the same offerings?

We need a wide assortment to cater to regional preferences. As our footprint expands, we discover new consumer needs. While our thrust is on building brands at home, we will explore opportunities for branded exports this year.

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