

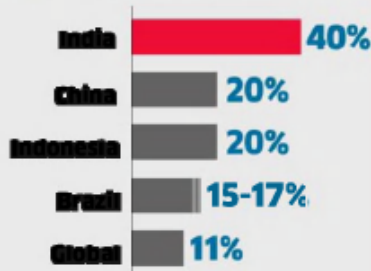
# India Tops Kraft's Global Growth Chart

Cadbury Kraft India grows twice as fast as Kraft's China business in first quarter



## India The Sweetest

Kraft's business growth in Jan-March 2011



"In India, our business has grown more than 40%. With our recent launches of Oreo and Tang in this market, we are confident that the robust growth will continue."

**TIM McLEVISH**  
Global CFO, Kraft Foods

## Oreo Joins Party

### GLOBAL REPORT CARD

China and Indonesia, the other two fast-performing Kraft Foods markets in Asia Pacific, grew 20% each

Kraft Foods has been relying on Asia Pacific and Latin American markets for growth, as sales across mature markets in the US and Europe remain sluggish

The 60 emerging markets in which Kraft operates, including India, contribute \$14 billion business to the firm

### STRATEGY IN INDIA

Cadbury Kraft India operates on a decentralised model where country heads can invest in sales, infrastructure, advertising and promotions according to their specifications

Now it's adopting a dual-marketing strategy wherein it's pushing Oreo biscuits under its Cadbury portfolio and marketing Tang powder, which was relaunched in India last month, as a Kraft Foods brand



Launched in March this year, Oreo is now present in over three lakh outlets in India and would be taken to semi-urban and rural markets soon

The first Oreo cookie was sold in 1912  
Oreo is a hundred-year brand sold in more than 100 countries

**33,000,000**  
Oreo biscuits are eaten every day around the world



If all Oreo cookies ever made were stacked on top of each other, the pile would reach to the moon and back more than five times

**RATNA BHUSHAN**  
NEW DELHI

India is the fastest-growing market for Kraft Foods in Asia Pacific and possibly around the world.

Cadbury Kraft India rode on established Cadbury brands and successful launch of Oreo biscuits to grow its business twice as fast as Kraft's China unit in the first quarter ended March.

"In India, our business has grown more than 40%," Kraft Foods Global CFO Tim McLevish told an earnings conference call in the US soon after announcing the firm's January-March results earlier this month. "With our recent launches of Oreo and Tang in India, we are confident that the robust growth will continue," he added.

A webcast presentation availa-

ble on the Kraft Foods website quoting McLevish says, China and Indonesia, the other two fast-performing Kraft Foods markets in the Asia-Pacific region, grew 20% each in the quarter, while others such as Brazil grew in mid-teens.

India is now among Kraft Foods' top 10 priority markets along with Brazil, Russia, Mexico, China and South Africa, across the 170 countries the foods maker operates in.

Kraft Foods, which bought out British chocolate maker Cadbury in a \$19.7-billion global deal in January last year, like other consumer products multinationals such as Coca-Cola and Procter & Gamble, now relies on Asia-Pacific and Latin American markets for growth, because sales across mature markets such as

the US and Europe remain sluggish. The 60 emerging markets in Kraft's universe including India contribute \$14 billion worth of business to the approx \$50-billion firm.

One reason for Cadbury Kraft India's runaway growth is its decentralised model, where country heads can invest in sales, infrastructure, advertising and promotions according to their specifications, say officials.

The company has adopted a dual marketing strategy: it has launched Oreo biscuits under the Cadbury portfolio, while Tang powder is being marketed as a Kraft Foods brand.

"Cadbury is synonymous with chocolate and Oreo being a chocolate-based biscuit, it's logical for Cadbury to endorse and market Oreo. Tang, on the other

hand, has a global association and fits well with Kraft Foods," said Cadbury India Director - Snacking & Strategy Chandra-mouli Venkatesan.

While Oreo biscuits were launched in March, Tang powdered drink was relaunched in India last month. Venkatesan said Oreo, the world's largest-selling biscuit brand, is available in three lakh outlets in the country and that the \$1-billion brand would be taken to semi-urban and rural markets soon. It comes in packs of ₹5, ₹10 and ₹20.

He added that the firm had allocated one of its largest marketing spends on Oreo, but declined to give specific numbers.

Last calendar year, Cadbury Kraft reported its highest-ever revenues of ₹2,500 crore and growth of 27%.