

# Kraft takes a bite of local biscuit mkt

## Launches Oreo Through Cadbury At Lower Price To Attract Indian Buyers

TIMES NEWS NETWORK

**Mumbai:** The dynamics in the Rs 12,000-crore biscuit market, largely dominated by players like Parle Products and Britannia Industries—each owning around one-third of the market—may undergo a sea change. The \$50-billion Kraft Foods has announced the launch of Oreo biscuits from its global portfolio through its Indian subsidiary, Cadbury India.

Oreo, which has attained a leadership position in markets like China, has been launched

at a huge discount to its imported version in India. The brand was already present in modern retail stores at a varied price range (upwards of Rs 50 for 14 biscuits) through imports. It has now been launched at an introductory price offer of Rs 5 for three biscuits, Rs 10 for seven biscuits, and Rs 20 for 14 biscuits, bringing Oreo on a par with rival biscuit brands in terms of pricing. In fact, it is marginally cheaper than Britannia's Jim-Jam Treat.

Cadbury India's pricing strategy on Oreo, along with



**PACKING A CRUNCH**

the company's 1.2 million store-reach in urban and ru-

ral India, could help the brand reach out to a wider consumer base. However, it is not clear for how long Cadbury would continue with the discounted pricing strategy.

Kraft's entry into a new category like biscuits is significant considering that the company has mainly operated in the chocolate confectionery space for decades with brands like Cadbury Dairy Milk. The global acquisition of Cadbury by Kraft a year ago has opened up the platform for launch of more food products from

Kraft's stable.

The company said Oreo is part of its long-term strategy in India to gradually expand business operations.

Anand Kripalu, president South Asia & Indo-China, Kraft Foods and MD, Cadbury India, said: "Our extensive consumer research shows that more and more consumers are looking for new, innovative products. We think Oreo responds well to these preferences with its unique taste and special ritual of twist, lick, and dunk."