

A WOMAN OF SPIRIT in a male bastion



LISA SRAO, CHAIRMAN AND MD OF I BRANDS BEVERAGES, IS THAT RARE WOMAN ENTREPRENEUR WHO DARED TO ENTER THE MALE-DOMINATED LIQUOR INDUSTRY. DESPITE HAVING A FAMILY HERITAGE OF LIQUOR, SHE HAD TO BRAVE ALL THE ODDS OF A HEAVY MONOPOLISED AND CAPITAL-INTENSIVE INDUSTRY. AND TODAY, SHE HAS REWRITTEN THE RULES OF THE GAME WITH I BRANDS SECURING PRESENCE IN OVER 3,000 POINTS OF SALE, ESPECIALLY IN PUNJAB, HARYANA, UTTARAKHAND, CHANDIGARH, HIMACHAL PRADESH, ARUNACHAL PRADESH, GOA, AND PONDICHERRY. SHE TELLS *MONEY INDICES* ABOUT HER EXPERIENCES AND STRATEGIC MOVES TO MAKE I BRANDS NO. 1

BY ARCHANA NAIR

The start

Having been born and brought up in the UK and Punjabi by origin, I moved to India following my marriage, almost 10 years ago. At that time, the availability of products of great international standard was limited. Although my background was in media having worked with companies like Vivendi Universal, Viacom, and News Corporation, my family background was in liquor. My father, having been in the trade for decades, had launched several successful international brands.

Living in India, I found that there were very few products available in the markets that were of international quality and affordable pricing. In the liquor industry, I found a very specific gap in the market. I found the premium liquor segment in India's mass market completely underutilised - either good quality products were extremely expensive, or affordable products were of bad quality. This niche that I found is where I decided I wanted to position my products.

My husband would take me to Islay to sample fabulous single malts and we would drink fabulous wine and spirits abroad. This set me thinking about launching some of my father's UK brands in the country. But with the two long years that we invested in extensive R&D operations, it soon became apparent that this approach would not work for many reasons including factors such as palate, packaging and other aspects related to the Asian market, that were very different from England's success formulas.

For this reason, I Brands Beverages was created, to launch international standard brands that specifically catered to the Asian market, hence the name I Brands for International Brands. Three Royals Whisky, Granton Whisky and Rum 99 are brands we created to exceed customer satisfaction in the respective segments that these products were positioned in. We wanted the Indian consumer to experience international standard quality products that I had been used to abroad, available at value for money prices.

Entrepreneurial journey in the male-dominated industry

The initial phases were incredibly difficult. The industry is complex and certain dealings were very challenging. As new entrants, the trade did not initially accept us, no distributors wanted to work with us, nobody believed what we wanted to do was possible. Being a woman was also incredibly challenging in a male-dominated industry. Many said it would be impossible. But today, we are at over 3,000 points of sale and growing rapidly. I am a born entrepreneur, and feel that one can achieve anything if one puts his/her mind to it. That said,

succeeding in this business requires a lot of nerve and courage.

We are a new player in the market and have laid a solid base and foundation in the states we are present in. It would take an international player at least five years to achieve what we have managed to achieve. We are looking to achieve a pan-India presence over the next few years. In the next five years, our growth projections indicate that we will cross the hundred crore marker in terms of revenue.

Choosing a beverage career

I do come from a family heritage of liquor, as my father was responsible for the launch of Double Dutch beer in the UK market that today enjoys 10 years of incredible success and popularity. I grew up around his passion for the industry. His input has been incredibly useful to my development of I Brands Beverages, and I could ask for no better mentor.

When I found an opportunity in India, I felt like I could not resist entering this field. I am very passionate about my company and my brands, and truly believe that we have world-class products. I am also truly indebted to my team, which has been instrumental in our success thus far.



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Success mantra

To begin with, I strongly believe that for anyone to succeed, you must have a burning desire to do. Dreams are not born of indifference, laziness, or lack of ambition. Do, or do not. There is no try.

I believe that you create your circumstances and reality. With I Brands, we were told over a hundred times that what we were setting forward to do, was not possible, that there would be major roadblocks on the way pertaining to the trade, from complex distribution operations to the dynamics of a heavily monopolised and capital-intensive industry.

However, we never gave in. I knew I had a fabulous team combined with innovative world-class products, from our premium segment whiskeys Three Royals and Granton, to our Jamaican flavoured dark rum- Rum 99. I just knew I could not fail.

The response to Three Royals, our premium segment whisky, was just outstanding to say the least.

In the state of Punjab alone, all our stock was completely sold out and we are seeing an ever-increasing demand from both distributors and consumers. It is a very exciting time for us at I Brands, powering on in a lucrative industry that is growing at a rapid 15 per cent every year.

We are happy to have been well accepted by the trade in the states we operate in, and have managed to achieve a solid foundation in the country, one that will take most international players over five years to achieve.

I don't let others define me, or tell me what I can or cannot do.

I have followed my gut

instinct till the end, and it is my uncompromising emphasis on quality that has led us to where we are today. Like Oprah Winfrey put it, “I act as if everything depends upon me, and pray as if everything depended upon on God.”

I also strongly believe that one's team defines one's success. Apart from having an international advisory board having known to have launched some of the most popular global brands, I also have a heavily motivated local team of over 70. I ensure that our corporate culture is encouraging and compassionate to the individuals that are responsible for building this company and sharing my dream. We encourage entrepreneurial action at every level, and do not believe in many levels of hierarchy, in order to ensure that innovative ideas can be implemented on immediate and effective basis, no matter where they come from.

This said, I always say that competition is one's biggest teacher, and so we are always watching what the industry is producing, what's working, what's not, in order to ensure that we are abreast at all times.

Being a small company, it is possible for us to be dynamic in our approach, constantly adapting products and services to suit specific needs. My main objective is to keep the end consumer happy, be it through effective price points, or perfecting blends etc. It has been this approach that has contributed to repeat purchases, which, in turn, has grown our business, despite minimal marketing budgets.

We constantly test our products before and after launch, as we are ever evolving, working towards creating the perfect product of the best quality possible. There are many companies in the industry, but I feel this is our stamp and our USP – we offer the very best in terms of quality, of international standard, and are making these products available to the Indian market, at affordable prices.

Our products are for both men and women, and we have been conducting small events to encourage people to experience our blends. We are rapidly expanding our points of sales daily, and actively seeking new partners and distributors to keep the growth curve running.

I believe that there is no industry women cannot succeed in. To believe in oneself is critical.



The only limitation is that which one sets up in one's own mind. Anyone can do anything these days. Have a dream and concentrate on making it happen.

Role model

I credit my success to both my father and my team. My father is my mentor and guide. He has launched many international brands, and never gave up. He is my ultimate business guide.

My team is responsible for my success thus far. They are my family, and without their belief and perseverance, none of this would be possible.

Indian liquor industry's potential

The spirits market is currently estimated to be worth \$7 billion or ₹35,000 crore. The Indian liquor market, which is the world's third largest, is growing at 8 per cent per year. This rapid growth is attributed to the vast and growing youth market in the country, as well as increased disposable incomes and more homegrown brands being introduced in the market. Nearly 60 per cent of India's population is below 30, and more than 50 per cent are in the age group of 22-54 – which is the income-generating segment. So, there is no doubt that we are presently in one of the world's most lucrative industries.

The beer market is also expected to double over the next five years, although white spirits seem to be the drink of preference. I will soon be launching my father's Double Dutch beer in the market that has enjoyed an almost cult-like following over the last 10 years. Vodka will also follow suit, as I intend to capitalise on this growing segment too.

Branding strategy

To begin with, this is a very capital-intensive industry. So, for a new entrant, this was quite a challenge, even with the most basic of things like, minimum runs to produce bottles cost lakhs of rupees for which the company did not even have initially orders for in the early stages.

Distribution is another very complex area as laws and norms in each state in India are different, varying in terms of excise duty, import duty, and permit structures. Moving products from manufacturing units in one state to sales teams in other states meant varying price points, labelling etc.

Also as mentioned previously, we had initially wanted to launch some of our UK products in India but found that the palate was different, the design direction had to be different, all these factors needed to be localised in order to ensure a successful and locally accepted product.

The industry is also majorly monopolised by a few big players, which makes it difficult for new entrants to penetrate the market. In some cases, the big players are also known to go out of their way to make operations for new entrants quite challenging.

However, I stick very strongly to my initial vision - bringing uncompromised quality products to the premium mass market, at value for money pricing, and this has helped us continue in the game.



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Women and drinking

With the opening up of the market for the concept of retail chains, premium liquor has become more accessible to the common man. With greater disposable incomes and exposure to a global climate, the demand for premium segment liquor is on the increase.

A growing audience to watch out for in the premium segment is women. Although the consumption of liquor amongst women in India is infrequent, there has been an increase from one in 300 consuming liquor, to 20 in 300 today, with women preferring premium segment liquor. The liquor market for women is expected to grow at a rapid 25 per cent over the next few years. A recent study conducted in Karnataka found that young women consumed similar amounts of alcohol as young men on any typical drinking occasion. According to the annual health survey results, 10 per cent of adult women in Assam are reported to consume alcoholic beverages products, followed by Jharkhand at 8.2 per cent, and Chhattisgarh at 7.4 per cent. Clearly, the consumption of alcohol amongst women is not restricted to big cities alone, and this is a critical change in the drinking behaviour of women in India.

The growing youth demographic in the country is also a critical audience that likes international standard

packaging, and knows what a good blend should taste like. When both these two factors are combined, along with a value for money price tag, you have a recipe for success.

No.1 always

One needs to be constantly abreast with trending consumer habits and new breakthroughs in packaging design. Our team in the United Kingdom and India ensure our packaging delights our consumers as much as our blends do. With inputs from design consultants from Spain, Italy, and the United Kingdom, we have always walked the cutting edge of design and utility, the proof of which are the patents we hold to some of our designs.

We instill a strong sense of responsibility in our employees towards their actions and follow a good code of practice in their daily work. Committed to sustaining excellence, respect, and integrity in all aspects of our operations, and our professional and business conduct, we strive to reflect the highest ethical standards in our relationships with all stakeholders – whether they are employees, partners, distributors, or shareholders. We believe that a company can be truly successful only if it is dedicated and driven to giving back to its people in collaboration by progressing ahead. To this end, we strongly champion the cause of drinking responsibly.

Future plans

We have a strong presence in Punjab, Haryana, Uttarakhand, Chandigarh, Himachal Pradesh, Arunachal Pradesh, Goa, and Pondicherry, with sales and distribution teams in every state of our operations.

Over the next few years, we will be launching our products in Andhra Pradesh, Assam, Mizoram, Nagaland, and Andaman & Nicobar Islands. We have also begun our TV advertising campaigns, and have relaunched one of our whiskies called Granton, with a cutting edge new look and blend. In the pipeline are two deluxe segment beverages due to launch in the market – one of them, a rare French brandy.

It is my vision to make I Brands Beverages one of India's top five liquor companies, following which I will be exporting


our products to the Asia Pacific region and other similar markets.

I propagate a culture that is steeped in delivering higher than customer expectations with a great focus on the people involved in achieving the same. To be the best in the industry, you must value your team and innovate, innovate, innovate.

We value team spirit and encourage and motivate every member to be entrepreneurial in his or her approach and outlook to any task. I believe that there is no greater happiness than building a company with a team that loves coming to work, as we all absolutely enjoy what we do, and are motivated to making it a success.

My favourite quote and what I absolutely live by, is Apple's 1997 Think Different campaign: "The people who are crazy enough to think they can change the world are the ones who do."

Brand you prefer

I love Imperia vodka and French red wines. Veuve Clicquot is the most preferred by me when it comes to Champagne. My favorite whiskies are Macallan, Bruchladdie, Old Puteney, Clynelish, and Highland Park. Of course, I enjoy a nice dram of Three Royals whisky too. 

ALTHOUGH THE CONSUMPTION OF LIQUOR AMONGST WOMEN IN INDIA IS INFREQUENT, THERE HAS BEEN AN INCREASE FROM ONE IN 300 CONSUMING LIQUOR, TO 20 IN 300 TODAY, WITH WOMEN PREFERRING PREMIUM SEGMENT LIQUOR

