

'Nostalgia Can Sometimes Pit You As A Fuddy-Duddy Brand'

Sunay Bhasin, CEO, MTR Foods, reveals how the business is appealing to a younger generation of consumers by using age-old recipes combined with modern-day marketing

BY **MUKTA LAD**

Since 1924, MTR has served comforting South Indian delicacies to millions of customers. It split up in 1994 — into a restaurant and food business — before Norwegian conglomerate Orkla bought out MTR Foods in 2007.

But it was only late last year that the company was renamed Orkla India and restructured into three main businesses: MTR Foods, Eastern Spices and International Business. *Brand Equity* caught up with Sunay Bhasin, CEO, MTR Foods, and the company's erstwhile CMO. Edited excerpts:

How have consumers' expectations from MTR changed over the last 100 years?

Right from the beginning, consumers have always expected the best. And by the best, I mean 'taste', the brand's cornerstone. Our first differentiator is quality. If you go to the restaurant today, that ethos is still alive. Secondly, we have been able to innovate and stay in tune with consumers' changing needs. We now cater to families and Gen Z customers.

One thing we've noticed is a heightened need for convenience, so we have instant items across categories — minute *rasam*, minute meals, minute fresh batter, three-minute breakfasts, along with our ready-to-eat range. This ability to move and change with the times and consistently add relevant offerings for consumers has helped us over the last 100 years.

You were recently made CEO after serving the brand as its CMO. What dos and don'ts do you have for marketers of other legacy brands?

Classical marketing thinking doesn't change. For one, you never give up on what the brand stands for; it takes years to build that and get consumer love.

Next, we never compromise on taste and quality, even if it means we are sometimes perceived as being more expensive. We have a team of chefs who have access to 3,000 documented recipes. They work with homemakers, other chefs and grandmothers, and cook and eat with them. It's how we've built our know-how.

This is important;

today, one of the big challenges, especially in big urban centres, is that the knowledge of the cuisine is on the decline. People are probably not cooking as much due to a paucity of time but also because recipes aren't being passed down generation to generation.

It's also that the consumer's taste repertoire is widening, thanks to factors like internal migration, exposure to social media and travel, etc. A brand can't build a portfolio and think, "This is it".

How did Orkla buying MTR change the brand?

A great thing about Orkla is its multi-local model. They believe in nurturing and building local brands. Orkla's belief in MTR has always been steady. They understand a brand, what makes it succeed and build on it. They've been a fabulous parent.

How does a 100-year-old brand navigate today's digital world, in terms of e-commerce, advertising and social media?

That's also part of our evolution. Taste, quality and consistency have been the three critical factors we haven't ever moved away from. It's only our product, brand, communication and the way we sell which have evolved.

Today, almost 25% of MTR Foods's marketing spends are digital. E-commerce has become critical for us. Almost 6.5% of MTR's overall sales come from e-commerce, up from 1% in 2019. This wasn't something that's traditionally been a part of our way of doing business, but modern trade patterns have become critical.

Modern trade also has become vital; 25% of our business comes from modern trade and e-commerce, the rest from general trade. It varies from category to category, though. Spices and *masalas* are general trade-led. The contribution from rural areas is big here with modern trade's contribution amounting to less than 10%. But almost half of the sales of new-age categories like fresh batters and three-minute-breakfasts come from modern trade.

A lot of your portfolio contains South Indian food items. How do you get the rest of the country to consume these?

An advantage is that South Indian food is no longer only South Indian. The acceptance and awareness around it have increased. This makes our job easier; I don't have to start by introducing the food to consumers. I have to ensure that their expectations from my products are met by our brand.

Does nostalgia play a role in your brand-building?

Nostalgia can pit you as a fuddy-duddy brand, sometimes. With us, though, it gives us an in with the consumer; they have a positive predisposition towards MTR carried from one generation to the other. The challenge, then, becomes living up to the current generation's expectations.



Sunay Bhasin

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From The Economic Times