

VISION

THE BREAKTHROUGH INNOVATION CHALLENGE NEWSLETTER SPRING 2011

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IS 'EMOVATION' THE KEY TO INNOVATION IN INDIA?

There is no shortage of innovation in India, from street vendors to multinational businesses. One of our Indian research partners Dhananjay Deshmukh of CBC and Helen Walker take a look at what makes an innovation successful there; and the common mistakes to avoid...

The challenge of going 'glocal'

Insights are as important to driving innovation in a developing market like India as they are in any developed market. While some of these insights can be derived from an understanding of basic human needs, in most cases they will be grounded in local customs, attitudes and culture. This need to deliver locally-inspired products and services can be challenging for global companies – especially those employing a more traditional top-down, global-to-local approach to innovation.

Cadbury has overcome this challenge by utilising traditional media to localise its appeal, demonstrating its understanding of the Indian psyche in its latest hit ad campaign. Indians have a weakness for over-the-top-ideas that are laced with emotion. They also tend to have a sweet tooth. These are brilliantly combined in an ad campaign in which a girl dances with abandon on a cricket field when her boyfriend [hits a six \(click to see video on YouTube\)](#). Such an over-the-top 'Bollywood' concept might not work in the UK but goes down a storm in a country with a passion for, well, passion!

But it's not just over the top emotion that taps into the Indian psyche, nor do companies have to rely on media alone to 'tweak' their offering. India has a vast population that is aspiring and ambitious and some brands - both local and global - have begun

to successfully tap into this. Take the Chennai based company, CavinKare for example. This brand changed the dynamics of their market and

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reached out to a huge new audience by putting their range of shampoos into small sachets. In doing so, they not only made their aspirational brands accessible to the masses but also built meaningful relationships with a vast population of consumers who were previously inaccessible to them. Today this innovation has been copied by many other products, with brands counting on the fact that poorer consumers will eventually have the greater disposable incomes needed to buy the 'fully fledged' version - and sales will grow accordingly.

Looking at how people live, work and use products can also bring surprising innovations and success. A good example of this is Nokia's torch phone. In a country where a large proportion of the rural population experience up to 12 hours of power cuts daily, Nokia came up with the idea of introducing torches to their phones. This was an instant hit among the entry level phone users and built a mass



customer base for the company in rural and semi-urban areas where power cuts are so common.

But not all businesses have the luxury of creating products that are so geared towards one market (and audience), particularly in the current climate. They will be looking instead to take existing successful products from other markets into pastures new.

What are the dangers of exporting Western innovations direct to India?

Even if your plan is to roll out an existing success story, you still need to get in touch with the local market to make it work. Just because something has worked well in developed markets does not mean it will be an instant hit in developing markets too. Take international cereal manufacturers, for example. If they understand how Indian consumers like to eat their cereal in the morning; they won't

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simply put their products on the shelves and expect them to fly into shopping baskets. Indians like their breakfasts hot. There are few global cereal brands that can withstand hot milk without becoming very soggy! In some cases, no amount of culturally adept positioning will make a product successful.

Another good example is the iPhone. Surprisingly, in a market hungry for new technology, the iPhone has not been the runaway innovation success in India that it has been in some other markets. Apple failed to understand the way the Indian consumer

likes to buy a phone – which is not from a service provider. Most Indians will purchase their handset as a standalone piece and will then acquire a SIM card for it. Locking consumers into service contracts and relying on promotion from the service operators might have worked in the UK but in India it was a disaster. Not only this, but the price conscious Indian can and will always buy their handset for 20% less in another country, or on the grey market.

On the other hand, one global brand that has done a great job of getting it right in India is Vodafone which revamped its entire communications in 2008-09 when it launched the Zoo-zoo campaign. Starting on social media, the highly amusing and entertaining campaign was a phenomenal success – its official fan club page had 70,000 fans within days of launch and 'Zoozoo' was the third highest search word on Google.co.in. The campaign feels very universal in appeal but really caught the right local tone in terms of humour. Once aired on TV, the ads got a great deal of traction among the Indian population and Vodafone's performance there improved. The ads and the site are [worth a look \(click here\)](#).

So if global brands want to innovate successfully in India without undergoing significant changes to their infrastructure, then perhaps they should be looking to emovate. Anyone who's seen a Bollywood film will know just how emotionally expressive Indians can be, and this is expected from brands too. Not only can this help generate appeal, but it also shows that companies understand the market, that they're relevant and that their new product speaks to the Indian consumer. Emovation might not be the killer app for innovation in all markets, but it sure rings success bells in India.

Innovating in emerging markets - Top 5 rules

- 1. Do your homework:** the most successful launches are grounded in the local culture and an understanding of the unique conditions of the masses
- 2. Be patient:** nurture and prime consumers for when they have enough income to adopt a product, rather than attempt to generate an immediate growth in volume
- 3. Get emotional:** demonstrating that you can tap into local emotions is a powerful way of generating credibility and affinity among new consumers
- 4. Recognise your intrinsic weakness:** if your product clashes with a strong cultural heritage re-consider launching it
- 5. Aspire to make a real difference:** some of the most effective emerging market innovations are successful because they provide welcome solutions to frustrating situations

