

Minute Maid A Winning Formula



Minute Maid, a brand under the Coca-Cola Company was launched in Sri Lanka with the introduction of its orange pulp juice drink during the latter part of 2007. Following its success a mango flavour was also introduced in early 2009. Minute Maid has become a market leader within the juice segment in Sri Lanka in a very short time span. Manish Chaturvedi, Country Manager – Sri Lanka and Maldives attributes this success to a well conceived and executed marketing strategy that included extensive research, which resulted in a winning product and an effective communication and distribution strategy.

By Udeshi Amarasinghe

Minute Maid is one of the largest juice brands in the world; can you tell us about the brand?

Minute Maid as a brand was born more than 60 years ago. It has its origin in Florida and was promoted by Florida Foods Corporation till 1960, when the Coca-Cola Company acquired it. Over the years, through innovations and positive consumer experience provided in over 60 countries, Minute Maid brand has become one of the world's largest juice and juice drink brands.

Coca-Cola as a company is known more for its sparkling beverages, but interestingly we are market leaders in many countries when it comes to other categories in the non-alcoholic ready to drink beverages, including juices and water. Brands such as Minute Maid help us gain that strength and leadership.

Our entry to the sub-continent has been in the past three to four years, and has been led by Pulpy Orange, a product that was launched in China in 2004. It was a huge success and has become the leading juice drink brand across all regions of China.

Why did Coca-Cola decide to launch the Minute Maid brand in Sri Lanka?

As part of our strategy, it is our aim to provide beverages that suit the various needs of the consumers such that they have a beverage for all occasions, throughout the day. The introduction of fruit juice based beverages fits well with company's strategic direction. We did extensive research before entering the Sri Lankan market with Minute Maid. In 2007, we felt that there was consumer demand for an orange based juice drink and that's when we launched Minute Maid Orange. We launched both the flavours in 200 ml returnable bottles and supported it with 360-degree activation.

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Our Communication.

What was the target audience?

For any of the juice segments, the audience we cater to is quite wide. But if I were to pin down the core target audience it would be the youth, both male and female. It is meant for consumers who want refreshment and nourishment in their daily routines. The feel of real orange in its texture defines Minute Maid.

When Minute Maid was introduced to Sri Lanka, the market was dominated by other brands, what were the challenges in entering that markets at that time and how were those overcome?

The challenge was more with orange since we were entering a not so popular flavour category. It's always a risk when you enter a market with a new formulation in a category which is not so big. However there was a strong conviction in the team that the brand will create a space for itself, and that it did. Today due to its quality the way we have positioned it and its appeal to our core target audience, Minute Maid has been a success with the consumers. This was followed by mango which has also done well in gaining market share. We had the right strategy in terms of the formulation, price point and the communication.

What was your advertising strategy to promote the product?

Our strategy was to use a global platform but have a local appeal to our communication. For Minute Maid Orange, we tied up with one of the youth icons – Malith, who was one of the reality shows winners. We used the platform of 'feel the real pulp (renu) as the communication and positioning strategy. There was no other product in the market, which had this uniqueness that gives the feel of fresh orange in the mouth, and hence we used this as our unique proposition. The communication helped to convey the intrinsic features of the brand. We did extensive sampling across the country so consumers could experience the product. From the response we got during the first few months it was apparent that the strategy was successful.

What was your distribution strategy?

One of the complexities of distribution in our business whether it be the sparkling business or the juice drink business is the returnable nature of the glass bottles, in the sense that the entire logistics becomes two fold for the distributor, shop keeper and the company. The added complexity is that every partner in the distribution chain has to invest in the glass bottles and plastic crates, besides the product itself, which is different from conventional FMCG distribution. In spite of this challenge, we have done well to distribute the product to all parts of Sri Lanka, especially in the urban areas.

We already had a country wide distribution network for our sparkling brands, and we used it effectively to broaden the distribution base for Minute Maid. The next challenge is to go deep into the rural areas. We hope to establish that in the next 12 months.

Since its launch two years ago, what has the response been so far?

The success of our brands is evaluated across three parameters.

First is the value we create for all our partners in the business, second how we are in terms of achievements vs the targets for the volume and third, in terms of the market share we achieve in the categories that we are present. I'm happy to say that in all the three parameters, we have achieved a fair amount of success, becoming the market leader within a span of two years. If I talk about the mango variant which was launched this year, within four months span, we have been able to gain a substantial share in the mango juice drink category. Having said that, we have a long way to go to consolidate our position and expand the market.

The Long-Term Goal Goes With Our Vision To Become A Significant Player In The Fruit Juice Segment Of The Beverage Market. We Need To Consolidate Our Position With Our Existing Portfolio And Expand The Market.

The mango variant was introduced to the Sri Lankan market this year, how receptive is the Sri Lankan consumer to new variants?

To speak about the receptiveness of the Sri Lankan consumers, the real proof was with the launch of the orange because orange was not a very big category in the market. Within two years, orange has become one of the top four juice drink categories, and Minute Maid is the one that led this expansion. That itself speaks of how receptive the consumers are, when they are given a superior quality product at an affordable price point. The fact that we launched mango this year and it has already become a significant player, but this time in a much more evolved category, again shows that once you offer a good product and if you can connect with the target consumers with the right marketing strategy, the consumers are quite receptive.

Would you say that the advertising strategy is similar but slightly different?

Our objective was to convey the healthy refreshment and great product intrinsic Minute Maid as a brand, that goes in line with the global positioning, but we also wanted it to be locally relevant.

I would say that the communication for both Minute Maid Orange and Mango are similar that both talk about the product intrinsic, and also feature Sri Lankan personalities, whom the consumers can associate with. However it is different in the positioning – Orange was all about creating a new segment and it talked about the real pulp so consumers can have a mouth feel of real orange, while the mango was about the concept of Mango Buddy to refresh the consumer's childhood memories. The television ad revolves around the rural areas, about how Pradeep (another reality show winner) goes back and realises his dream of having a real fresh mango but now in a drink. Both campaigns that were executed by 'Leo Burnett' were received well by consumers.

During a short period of time MM has captured a market share of 27%, can you tell us the significance of this achievement?

We have been able to create a winning formula with Minute Maid, which is to have a strong brand, a product with great intrinsic, affordable pricing, strong distribution and marketing. This success helps us be a 'total beverage company, catering to different needs. Having a wider portfolio also helps our partners to synergies with

the existing sparkling business.

Are you planning of launching any other variants in the future?

We do a continuous study of the market, monitor the trends and evaluate getting into categories or brands that meet consumer needs. The current flavours – Orange and Mango have done well and we are continuously evaluating options of getting into more variants.

What is the long-term goal of Minute Maid in Sri Lanka? Can you elaborate on this?

The long-term goal goes with our vision to become a significant player in the fruit juice segment of the beverage market. We need to consolidate our position with our existing portfolio and expand the market. We also want to look at launching new flavours and pack sizes to fit into different occasions. Right now we have just one pack size, which is primarily for on premise consumption.

For putting together and executing our future plans, it’s critical to collaborate with our partners. I must admit that the support especially from our bottling partner and its entire team has been truly commendable.

As a company it gives us a sense of achievement when we look back at the last two years. But this is only the tip of the iceberg. There’s a huge market available and we will strive to create more excitement in the future.