

waiting for the day after

Remember the Pacific Island sitting on the international dateline in Umberto Eco's *The Island of the Day Before*, where today never comes? In some way it's like India where there is no tomorrow, only the day after. You know, a whole sub-continent that has been waiting for the day after.

For multinationals that have interest in the Indian market and are prepared to wait for that day—it is an opportunity that cannot be ignored. The Goldman Sach's report on the BRICS [Brazil, Russia, India, and China] countries estimates that in another 28 years, by 2032, India will be the third largest economy, having overtaken Japan. And China will be the world's second largest, after the U.S. But China already boasts a GDP more than twice the size of India's, although the two were roughly the same size only a decade ago.

Most people look at the Indian market through the lens of China's explosive success; the two markets are, in fact, so different that they may as well be on two different continents. These two Asian neighbors could not be more dissimilar—though both top the billion people mark—their individual history and their cultural heritage separates them. As far as I know there is nothing in the Chinese culture that discourages the individual from accumulating wealth and from enjoying a better life in the here and now. Albeit there was a brief interregnum of 30 years—a historical aberration when China's populace was forced to shun individual wealth. However when Deng opened up the Middle Kingdom in the late '70s, the Chinese created the biggest expansion in consumption in the history of the world.

Contrast that with the fact that every Indian has grown up in a culture that has abhorred personal wealth and worshipped self-denial, where our schools, religious gurus, and political leaders inveighed daily against materialism and immediate gratification. Where the governing elite encouraged the redistribution of poverty rather

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than the creation of wealth. All of which resulted in the bottling up of consumer needs and the consequent abysmal Hindu rate of growth. And, oh yes, a fear of foreign companies—after all, not many nations were taken over by a company. Remember the East India Co.

But that was yesterday. The '90s saw the opening up of the economy—the lifting of the bad policies of economic autarky, tariffs, and industrial licensing. Not surprisingly, last year the economy grew at a brisk 7%. And now it has everyone's attention—but how long will it take before we witness the frenetic consumption fever like that which grips East Asia? How long before the market gobbles up the volumes of cell phones and automobiles that China did last year?

Although India opened up 15 years after China, there are signs that it will make up for the lost time. The reason is simple; nearly half the country, 47%, is under 20 years old. Think how quickly these young people will forget the prudence and frugal lifestyles of their parents. The recent signs would suggest not too long.

Having spent most of my adult life in advertising with J. Walter Thompson in all three major Asian consumer societies—Indian, Chinese, and Japanese—one thing is for sure: the catch-



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up game moves with astonishing speed in this part of the world. Just as China's growth amazes us today, India's young will surprise us by their capacity for assimilation and their speed in adopting the new.

Most people tend to get bogged down with the comparative numbers of these two emerging markets, forgetting that the Chinese market was a lot less promising in 1989, a decade into its opening. It would have been unbelievable then to think that China would absorb the millions of PCs and Nike sneakers that it did in 2003. It's well known that most multinational corporations did not make any money there until the late '90s; they slaved away, learning the marketplace for years before hitting pay dirt. They exhibited remarkable commercial patience then, and now they have to do the same in India because the question for international marketers is not whether India is worth the trouble today, it's more like, am I ready to miss out on another China-size opportunity in the next five to seven years?

While everyone is familiar with the inadequacy of the hard infrastructure: missing roads, power shortages, poor telecom facilities, and too few schools, the less visible soft infrastructure comprising a tradition for democratic government, a functioning but overloaded justice delivery system, and a deep reservoir of enterprising managers is distinctly promising. Add to that the much talked about layer of English-speaking, tech-savvy population and you have a market leverage that was and is still missing in China.

But marketing to a multicultural India is no cakewalk. Advertisers need to keep a few things in mind when looking at the booming Indian consumer market.

Adapt or die. Pizza Hut introduced a 100% vegetarian Peppy Paneer Pizza to meet the preference of the Indian consumer. Unlike KFC, they prospered by customizing their products to suit the very esoteric tastes of the country's different culinary zones.

Understand the diversity. The past shortage of milk in the southern and eastern parts of India makes Horlicks a ubiquitous health drink there. However, an abundance of milk in the northern and western regions has stunted its growth in these regions.

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Multicultural India, with the added complexity of at least a dozen languages, boggles the mind. Nevertheless, Pepsi knows how to create a single national brand by weaving its story around the exploits of the country's beloved cricket heroes.

Ignore the less affluent at your own peril. Unilever discovered the joys of selling billions of tiny sachets of shampoo to millions of rural and urban have-nots. The rich taught Daimler Chrysler that they are value-conscious too; the E-series entry succeeded only after a steep price reduction.

Don't be confused by the love-hate relationship people have with foreign brands. The successful Ford Icon is the Josh machine—a car that bespeaks dynamism and national pride. Clearly the young have forgotten the East India Co.

Diamonds are forever but Nakshatra jewelry is for now. India's most celebrated Bollywood beauty, Aishwarya Rai, is the model that the Diamond Trading Co. (formerly known as De Beers) chose to redefine the romance of diamonds and, in doing so, reinvented the global code for advertising; blindly copying global campaigns seldom works in India.

The Indian consumer, liberated at last from the binding spiritualism of self-sacrifice, is on a spending spree. The world's marketers need to get their hands dirty and their feet wet soon before the Korean brands completely take over the market. After all, they only have to wait for the day after.

But today is, of course, another story—blinding power outages along with dry taps in the heat of the Indian summer can be unbearable but the average Indian is oblivious to it as he strides the virtual world stage displacing the once unwary knowledge worker in the high income countries. He is equally oblivious to the fury generated in the election year in the U.S., where people's senators of every political hue attempt to block out the giant vacuuming noise as the low end IT-enabled jobs are moved to Bangalore. It's ironic how it took the WTO to reverse the flow of income and goods that the East India Co. started so very many years ago. ●

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