

# 'BEING MORE SIMILAR THAN DIFFERENT'

□ McDonald's Seema Nambiar speaks about firm's plan for Chennai □ Rice on the menu to cater to regional taste

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Chennai, Feb 15:

'We will continue to expand: 25-30 restaurants are what we open in our region every year and Chennai is definitely on our expansion plan,' were the words of Hardcastle Restaurants Pvt Ltd (McDonald's India West & South), senior vice-president - strategy, innovation and capability, Seema Nambiar. 'Chennai, has been an education for our business, to understand what consumers are saying and is a great market to do consumer research. They are super honest,' she adds. Fast food chain McDonald's recently launched new rice varieties in the Chennai market. How else do they plan to expand in

the South? *News Today*, in an interview with Seema Nambiar, got an idea of what they were doing and a lot more. Excerpts from the interview:

## ON CHENNAI MCDONALD'S MARKET...

A) We came to Chennai in 2008 and opened 16 restaurants across the city. Now, we are getting into the more traditional part of the city, as people get more exposed to the brand. We are very committed to the business growth here and we think it is an interesting city. This is because it is very exploratory. People here like to explore food forms, but they are also traditional in what they eat. It has been a great lesson as we expanded in the south to understand what that

traditional person really wants.

We are doing the new rice launch because we found a lot of similarities here when it came to people eating out. Most people told us that they want a familiar form, but not familiar taste. So, Chennai has been an education for our business - to understand what consumers are saying and is a great market to do consumer research. They are super honest.

## COULD YOU TELL US MORE ABOUT THE NEW RICE LAUNCHES?

Rice Fiesta is something we launched in Chennai on 25 January. It comes with a lot of firsts: one it is rice. Second part, this is the first time



Seema Nambiar

we have done a very specific regional film for the city in Tamil. The whole campaign is more specific to the city and the food will give the filling, as this is an on-the-grab meal. Because of the nature of work, food is getting delayed and our whole idea is to bring the fullness.

## WILL THE YOUNGSTER PREFER CHANGE, FROM BURGER TO RICE?

Most consumers who eat this are between 23-31. It is more male skewed than female. The younger generation still prefer the burger and fries.

## IS IT A COMPETITION TO KFC'S RICE BOWL?

Actually, no. Competitions are lovely. Our country has huge eat-out market and it is around \$ 9 billion. The QSR market is \$ 300 million. There is a lot of space to expand. On an average, people in India eat out around eight times a month. In the Philippines, Malaysia and Indonesia it is around 25 times a month.

We do not eat out a lot. Competition marks the whole scenario. When In-

dira Dineen opened in Bengaluru, it changed the way people eat outside. Now, people have got used to eating out more. People are more used to home food as they do not want to go out. There is so much room to expand and I do not think competition is really a word that we should be using. It is just about growing the category.

## WHAT MORE CAN WE EXPECT ON REGION-SPECIFIC FOOD?

We have already done that last year. For example, chicken wings is only available across the south. In Hyderabad, we launched the Kebab Burger. We have been experimenting and as this gets successful in the southern region, we see it adapt to the rest of India too. So, it is not that it has to stay regional. This proves that the south food has expanded itself to the north. One of the things McDonald's teaches us in business is that we are more similar than we are different. We are in about 130 countries with the same business model, but with local nuances. This tells us that 80 per cent is similar and 20 per cent should be tweaked.

## WHAT ARE YOUR PLANS TO REACH TIER-II CITIES?

We are working on it. We realised that the customers there need a different experience. Largely because their eating out occasion is very different. In the metro, people eat out because they want to. It is more casual. In Tier-II, they want to come in with the family and enjoy the experience. In larger cities, people do not have time.

## WHAT ARE YOUR PLANS TO EXPAND THE MCDON-

## ALD'S KIOSKS ?

In the south, it is really doing well. Desserts is a category that we continuously look at. Kiosk as a model will expand in malls, when we know that we get space to give exposure to consumers. And, it is expanding largely in the south.

## HOW IS THE DELIVERY MARKET ?

Delivery is across all our restaurants in Chennai. We also have tied up with third party delivery and have our own delivery system. Delivery is a large part of our focus, as the consumer wants the convenience of eating at home.

## IS THERE A POSSIBILITY OF DRIVE-IN RESTAURANTS IN THE SOUTH?

It is very much a part of the strategy. When we find the right place and when it meets the right standards, it is possible.

## WHAT ARE YOUR FUTURE PLANS AND IDEAS FOR EXPANSION?

We will continue to expand: 25-30 restaurants is what we open in our region every year. Of that we divide it between the west and south and Chennai is definitely on our expansion plan.

