

Changing Alcohol Scenario in India: Challenge to Research, Policy and Planning

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Altering Alcohol Scene

- Changes in various directions over the last three decades:
- Steady increase in Production, availability & consumption
- Change in its trends & pattern,
- Harmful & adverse social consequences at individual & societal level.

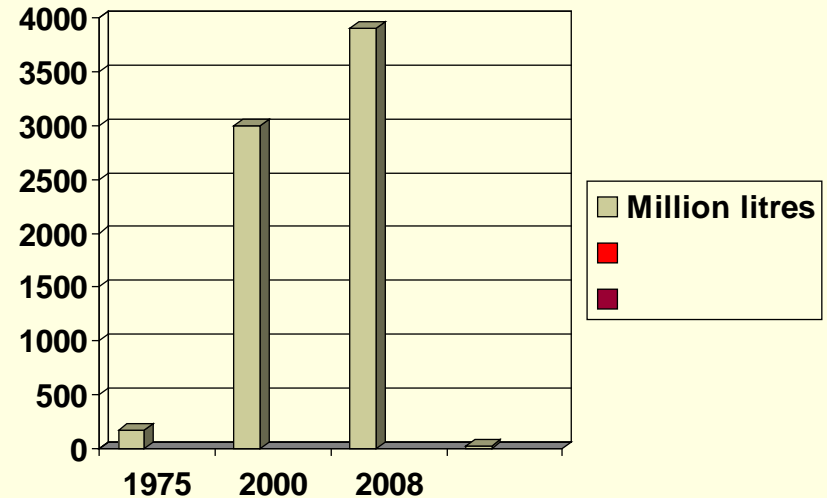
Steady increase in production, availability,
introduction to new brands 1990's onwards.

Revenue to States: Rs. 26000 Crores,
US\$4333 million (2007-08)



Changes in various directions

- Alcohol Production
- 23 times increase in production 1975-2008(169.4 million liters to 3900 million liters)



Alcohol consumption (million liters)

Beverage type	2000-01(Qnt)		2007-08(Qnt)	
Indian made foreign liquor	719.90		1258.0	
Beer	561.60		1210.0	
Wine	0.45		8.4	
IMCL	1721.9		2642.0	
Total	3003.45		5118.4	

Alcoholic beverages

- Availability from 2000-01 to 2007-08
- Source: All India Distillers Association, New Delhi

Type of Beverage	% increase
IMFL	74
Beer	115
Wine	1776
IMCL	53

Per-capita consumption

- Steady increase in per-capita consumption (3.7 liters men 15-64 years 2007-08)
- In states like Maharashtra, Karnataka, Kerala & Punjab, Per-capita varies between 6-10 liters, equal to some of the indices of European countries.

Change in alcohol....

- Previous abstinence groups getting inclined to alcohol (middle class)
- Lowering of age of initiation, 15-24 years youth cause of concern
- Diminishing difference in rural & urban population(32% vs.31% NFHS,III 2005-06)
- New social images, context & meaning of alcoholic beverages
- Beverage preference: hard liquor

Change in alcohol....

- Attitudinal changes, favorable, no longer a stigma
- Proscribe to prescribing norms
- New impetus with globalization, free economy
- Becoming part and getting associated with economic development
- Association seen with westernization and modernization

Marketing strategy

LADIES' NIGHT-OUT HT 19/3/23

Hic! Liquor companies toast women drinkers in India

Aradhana Aravindan and Nandita Bose
letters@hindustantimes.com

MUMBAI: Women who drink, long portrayed as less than respectable by Bollywood movies, are becoming big business in a socially conservative India.

Makers of alcoholic beverages, including global No.1 Diageo, are taking notice of this segment of India's \$10-billion drinks industry that is growing more than twice as fast as the overall sector and presents a significant, if delicate, market opportunity.

France's Pernod Ricard SA last year signed a bottling agreement with



Sula Dia is a low alcohol wine with a pear-shaped bottle designed for women

Tilaknagar Industries and is in talks with the Indian company for a strategic deal.

India's No.2 spirits company, Radico Khaitan Ltd,

has held talks with international players about a joint venture after its partnership with Diageo ended last year.

With more women in the organised workforce, gaining financial independence and interacting with their male counterparts in social and professional settings, the idea of them drinking is slowly gaining acceptance.

"As recently as in my mother's generation it was frowned upon, and it is now perfectly acceptable to have a glass of champagne or white wine," said Rajeev Samant, founder and CEO of Sula Vineyards, the largest domestic wine maker.

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Marketing strategy

Liquor cos cheer ladies' nights in India

Mumbai: Women who drink, long portrayed as less than respectable by Bollywood movies and still wary of entering most watering holes, are becoming big business in socially conservative India. Makers of alcoholic beverages, including global No.1 Diageo, are taking notice of this small segment of India's \$10 billion drinks industry that is growing more than twice as fast as the overall sector and presents a significant, if delicate, market opportunity.

With more women in the organized workforce, gaining financial independence and interacting with their male counterparts in social and professional settings, the idea of them drinking is slowly gaining acceptance.

"As recently as in my mother's generation it was frowned upon, and it is now perfectly acceptable to have a glass of champagne or white wine," said Rajeev Samant, founder and chief executive of Sula Vineyards, the largest domestic wine maker. Two years ago Sula launched Dia, a light, slightly sparkling wine aimed at female drinkers that comes in a slender bottle with pastel-coloured labelling and has a lower alcohol content. The company is adding more low-alcohol options and expects women to account for roughly one-third of sales this year.

French drinks group Remy Cointreau, whose Cointreau is an ingredient in a Cosmopolitan, the signature cocktail of the TV show "Sex and the City", launched the orange liqueur in



STRESS BUSTER

India three years ago to tap the burgeoning women's market. "There is a rise in the cocktail culture and a significant part of that is because of women," said Rajesh Grover, marketing manager for the Indian subcontinent at Remy Cointreau, which holds promotional events that offer steeper discounts to women wearing higher heels.

Still, despite boasting the world's largest whiskey market, Indians are overall among the world's lowest consumers of alcohol. Only 30% of men and 3% of women have at least one drink a year, according to the India Centre for Alcohol Studies (INCAS), a government research body. By comparison, 60% of women in the United States drink at least once a year, according to another study.

The women's market in India is expected to grow 25% over the next five years, faster than the 10% rise projected for the overall industry, INCAS said. Rising incomes and changing social habits give India the

growth potential that recently prompted British-based Diageo to enter a deal to buy a controlling stake in United Spirits, India's biggest alcohol maker.

France's Pernod Ricard last year signed a bottling agreement with Tylaknagar Industries and is in talks with the Indian company for a strategic partnership. India's No.2 spirits company, Radico Khaitan, has held talks with international players about a joint venture after its partnership with Diageo ended last year.

At The Big Nasty, in the Khar suburb of Mumbai, the lights are dim, hip-hop music pounds and a popular song raises a loud cheer. It's Thursday night, and a table of 20-something women have left their boyfriends and husbands behind to party together. "We girls normally hang out once a week at some joint or the other. For us, it's a stress-buster," said Preciosa D'Costa, a 29-year-old advertising executive. But she also has friends who are more guarded about their drinking.

"I know people until today who are hesitant, guys for that matter, who are hesitant to go home (after drinking)."

Despite its rapid modernisation, India remains deeply traditional. Even in cities, most women choose to marry a partner selected by their parents. Incidents of thugs beating up women at pubs are not unheard of. The New Delhi gang rape and killing of a young physiotherapy student who was out with a male friend provoked outrage

about attitudes towards women in India, which was found to be the worst place to be a woman among the world's biggest economies in a Thomson Reuters Foundation poll.

Bars in India are typically male-only bastions. Women who drink in public would typically do so in high-end restaurants or bars in upscale sections of cities such as Mumbai, New Delhi and Bangalore. The trend is seen spreading to smaller cities, albeit cautiously.

"Your marketing programme has to take into account the city's sensitivities," said Sharda Agarwal, a director at Mumbai-based MarketGate Consulting. A ban on alcohol and cigarette advertising forces makers of alcoholic beverages to be creative, using their brands on water, soda and even music CDs. Many sponsor fashion shows and music festivals, while some have hired Bollywood stars for related promotions. Jack Daniel's maker Brown-Forman said that while it does not target women exclusively with its Finlandia vodka, it often serves it in cocktails at fashion show after-parties.

India's burgeoning retail revolution, which has seen supermarket chains sprouting up in major cities, has also made alcohol more available to women.

Before supermarkets, a woman wanting to buy alcohol for home consumption would have to brave the stares or comments from men, not always sober, jostling in line at liquor stores. SEPT 2008

Change in alcohol.....

- Central and state governments: Vying for maximum revenue, around 26k crores.
- Transnational and multinational companies- new players, new marketing strategies and eye on developing economy.

Changing alcohol scene.....

- Regional variations in terms of beverage preference, population groups
- Home brewed to hard liquor : tribal, rural population

Public health perspective

- 62.5million alcohol users (National survey,2004)
- 5-15% problematic drinkers in a given population
- Alcohol related disorders: liver, cardiac, nephrological and psychiatric problems (1in 5 beds occupancy in a large hospitals)

Public health....

- Alcohol related 20% road traffic accidents and 35% injury are treated in hospitals
- Underage drinking and driving (recent years show more and more such incidences
- Association with high risk sexual behaviour and vulnerability towards HIV transmission (WHO,2005)

Public health.....

- 34% of all suicides committed under influence of alcohol/ related to alcohol use.
- 270,000 people die due to use and abuse of alcohol every year.
- The direct/ indirect costs attributable to people with alcohol dependence alone estimated more than 3 times the profits from alcohol taxation.

Alcohol policy....

- Prohibition: Article 47 of Directive principles “*the State shall endeavor to bring about prohibition of the consumption, except for medicinal purposes, of intoxicating drinks and drugs which are injurious to health.*”

Alcohol Policy.....

- Alcohol related policies remain prohibition centric in 50's.
- 20 points program suggest dry days, opening of liquor shops & do's and don'ts.
- State government has a Prohibition department to teach against evils of drinking.

Issues cont...

- **Regulatory laws like** hours of sale, sale to minors and drunken driving are rarely followed.
- The Indian Motor Vehicles Act which specifies a blood alcohol cut-off of 30mg.% for drivers strictest in the world but still drunken driving is a norm on highways or any other parts.

Issues in alcohol intake

- Price & Taxation Measures: These **remains** an effective policy measures.
- Indian context, the high taxation is sometimes proving counter measures. Alcohol as a commodity is relatively price inelastic , an increase in its price would simply increase the expense of alcohol consumers.
- It may aggravate the economic hardship of family members, without necessarily reducing any of the other negative impacts.

Social & Economic costs

- Common tendency among users to indulge in heavy drinking
- Besides alcohol related health damage, violence(particularly domestic), marital conflict, neglect of children.
- Family health and welfare suffer, women more prone to stress, psychological adjustment, co-dependency etc.

Issues.....

- Role of alcohol industry need close examination
- Must be of multi-stakeholders
- So far lip services social responsible organizations, messages like safe drinking etc.
- Rationale policy for responsible corporate role

Knowledge gaps...

- The gap evident from national data perspective & operational research on various control policy measures & legislation: drunken driving, underage drinking, domestic violence, health label warnings, advertisement & promotion .
- Role of surrogate advertisements on part of alcohol industry.

Research implications...

- During compilation of WHO Global Survey on Alcohol & Health 2008, the following research/ knowledge gaps:
- Legal definitions of alcoholic beverages(2.5%,4%)
- No reliable information on unrecorded/ illicit consumption of alcoholic beverages, well entrenched cottage industry.

Knowledge gaps...

- The gap evident from national data perspective & operational research on various control policy measures & legislation: drunken driving, underage drinking, domestic violence, health label warnings, advertisement & promotion .
- Role of surrogate advertisements on part of alcohol industry.

Action Plan

- Assessment of problem, especially among youth
- Social structural population based intervention – factors and to overcome risky behavior
- Strengthening primary care, grass-root level services
- Information, Education & Communication: clarifying myths, providing problem solving skills. Involvement of already existing infrastructure

Action Plan.....

- Community-based programs:
- Well-being, healthy life styles, harm reduction measures, focus on underage drinking, youth
- Non-chemical alternatives
- Recreational, infrastructure, skills development
- Community actions shape attitudes

Action plan

- Multi-sectoral approach
- Need for co-ordination GO& NGO sectors
- Better co-ordination : health, welfare, economic development programmes.
- Utilisation of CBO,s

Conclusion

- Need assessment
- Rationale alcohol policy
- Strengthening of primary care, grass-root level organizations
- Best investment : Prevention and treatment go together



■ Thank you