wheat. These products are mostly unbranded, and hence their quality varies. They are also often nutritionally inadequate. Research also showed that many men from rural areas have moved to towns, and there are a large number of rural families in which an adult male member does not live regularly in the house. In rural households, almost all members of the family have to work to make a living, and there is no support system whatsoever. They are likely to fall ill under such gruelling circumstances, and the company felt that there was an urgent need for a health drink for such poor and deprived families. It mandated its research team to come up with a product that was nutritionally superior but less expensive. Hence was born Asha from Horlicks. The name symbolizes what the brand wants to achieve for its customers—Asha means hope, and Asha from Horlicks gives hope to poor customers that despite their limited income, they can still be healthy and happy. GlaxoSmithKline lent the name of its most powerful brand to assure customers that despite its low price, it will help customers to stay healthy. Asha from Horlicks will help Horlicks become a more complete brand of health food drinks rather than just a malt-based health brand.

GlaxoSmithKline has never segmented its market on income, and introduction of Asha from Horlicks is a departure from its practice of not segmenting its markets on the basis of income and gender. GlaxoSmithKline gets only 30 per cent of its revenues from rural India, which is low in comparison to companies like HUL which earn nearly 50 per cent of its revenues from rural India. GlaxoSmithKline wants to increase its revenues from rural India, and Asha from Horlicks can help the company get a better understanding of rural customers. The company has increased its retail presence in rural India by adding 4,000 sub-distributors to its existing 500 distributors in smaller towns. This will increase the share of rural regions in its sales.

There is a concern that Asha can cannibalize the sales of the original Horlicks. There are also fears that the customers may doubt the quality of the product, which may adversely impact the overall brand equity of Horlicks. But the company thinks that introducing the variant as a separate brand, and building the brand as a distinct identity will not let this happen. To promote the brand in rural areas, it has tied up with a microfinance group, where it talks to members of the group about Asha from Horlicks. They also go to schools to send their message across.