

The image shows the Cobra Beer logo in large green letters with a white outline, set against a yellow background. Below the English name 'COBRA' is the Hindi name 'कोबरा' in red. The background also features a golden beer bottle with a label and a yellow banner with the Hindi name 'कोबरा'.

Leveraging the India connection

The UK beer market is one of the most competitive in the world but that did not deter Karan Bilimoria, an expat Indian with no prior experience, from taking it on.

After three months of trials in India, a new recipe was found, and the new beer became a remarkable success story.

Since then, 46-year-old Bilimoria has also devoted his energies to promoting bilateral trade with India and a wide range of charitable work. He was named Asian of the Year in 2002 and four years later was made Lord Bilimoria of Chelsea.

In an interview with INSEAD Knowledge on the sidelines of the UK India Business Council's inaugural summit, he explained how the Cobra story really got going.



Bilimoria was convinced there was a gap in the market for a smoother, less gassy beverage and in 1990 brought out his first bottles of beer:

“I produced this beer that was in between a lager and an ale in taste – the smoothness of an ale with

the refreshing quality of a lager, which would enable it to appeal to ale drinkers and lager drinkers in the country with all food, and in particular Indian food.”

He started his brewing business in Bangalore and then shipped it over to Britain by the container load.

“So we started selling it in the Indian restaurants as a base here in Britain, and then from 1997 we moved production to the UK.”

Since then, Cobra beer has been produced in Britain, and it’s also now being brewed in Europe. However, three and a half years ago production restarted in India – this time for the Indian market.

“We started with one licensing agreement in Rajasthan. We now brew in nine locations around India,” says Bilimoria, “and we export to around 50 countries around the world.”

In fact the beer has been so successful, he says, that sales have notched up a compound annual growth rate of around 40 per cent over the past ten years.

Promoting trade links with India

Bilimoria has been striving to promote world trade with India since 1993 when he was asked to chair the Indo-British Partnership which was started by then British Prime Minister John Major and his Indian counterpart Narasimha Rao, several years after the start of India’s liberalisation.

“The idea was, with India at that stage opening up, that Britain and India should work on a bilateral basis to make the most of that opportunity.”

Since then, Bilimoria has been championing India. The turning point came in November 2006 when he was able to hold the first-ever UK/India investment summit at Lancaster House in London.

It was then, he says, that the British government recognised the potential. Last year, British Prime Minister Gordon Brown, who was at that time Chancellor, announced the formation and funding for the UK Business Council during a visit to India.

Today, Bilimoria continues as the UK chair of the Indo/British partnership bilateral initiative and chair of the UK Business Council. He says getting the UKBC off the ground was an entrepreneurial journey.

“The experience has been to work with government and to actually convince government to make this a priority, because five years ago, I felt like a lone voice in the wilderness saying: ‘Look you’ve got to look at India. British business has got to look at

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India; it’s a great opportunity.”

“Everyone was looking at China but no one was looking at India!”

He maintains that, even now, there is so much potential for business to look at India – particularly for small and medium-sized enterprises.

When Bilimoria talks to groups in different regions in Britain such as the Midlands, he asks how many of them are doing business with India at the moment. “You get (only) two hands or three hands going up,” he says.

He adds that people still have to be made aware of the opportunities, and how easy it is to actually go to India and how much support there is available. The UKIBC for example provides advice and a new ‘launch-pad’ service for British companies wanting to do business there.

Bilimoria is confident that the UKIBC is a good example of the private sector and government working together: “Because on our own we would be completely ineffective.”

“Similarly what we can do is add to the government’s work and initiatives through what we do. The sorts of things we do now were never happening before.”

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