

## "Our mission is to build a positive economic perception about India globally."

Ajay Khanna is the CEO of the India Brand Equity Foundation, which has been marketing Brand India abroad, and Deputy Director General, Confederation of Indian Industry. He speaks to **INDIA NOW** about the Foundation, its objectives and the problems encountered in promoting India Inc. globally.



### **What are the main objectives of IBEF?**

IBEF aims to improve and build positive economic perceptions of India globally. Firstly, it seeks to present to the world the strengths of Brand India, which has come to be associated, among other things, with the ever-increasing number of globalising Indian corporations.

Secondly, it aims to project the export competitiveness of India, from the being the centre of excellence for software to evolving into a manufacturing hub for global industry.

Finally, our research on perceptions of India in overseas markets reveal that there still exists a fair amount of misperception about the country's capabilities and expertise. If an India-connection has managed to become a very significant plus point in Silicon Valley, in many other commercial centres the 'Made in India' tag continues to be a handicap. In good measure, we would like to play a part in correcting this econom-

ic misperception about the country by highlighting the rapid strides being made by Indian business and industry, both within the country and globally.

### **How did the concept of IBEF come about?**

It was in 1996 that IBEF, at that time known as India Brand Equity Fund, was established by the Ministry of Commerce to build the India Brand globally. It was only in 2002 that IBEF transitioned to a public-private partnership when the Confederation of Indian Industry and the Ministry of Commerce, Government of India, joined hands. CII was awarded the management of IBEF by the Ministry of Commerce through an open competitive bid.

Based on consultations with stakeholders, which included over a hundred CEOs from industry across five cities in India as well as the Ministries of External Affairs and Tourism of the Government of India, it



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was proposed that IBEF be repositioned from a Fund to a Foundation. It was eventually on the recommendation and approval of the IBEF Board of Trustees that the India Brand Equity Fund was registered as India Brand Equity Foundation on November 10, 2003.

**How does IBEF go about fulfilling its mission?**

IBEF's mission is to 'Build positive economic perceptions about India globally'. An integrated and focused approach has been adopted to reach out to its prime audience, viz, the international business and media, as well as harness the strength of domestic media to communicate a single image of India.

To this end, IBEF plays three well-defined roles:

"It is a **forum** for brand vision development

"It is a coordinator of **strategic marketing** initiatives

"It is a **resource centre**. The India Resource Centre through its website, [www.ibef.org](http://www.ibef.org); its two eNewsletters on India and Indians in general as well as another on foreign investment called Invest Now and an ever-growing number of research publications are all available on our website.

A ready reckoner India Pack comprising a brochure on India, sectoral presentations, posters and film has been developed. All these can be requested from IBEF at no cost or simply downloaded from our website.

IBEF also facilitates visits of policy makers, students, journalists and business delegations from abroad to provide a better understanding of the change and transformation in India through its Experience India programme. We have in the recent past had the privilege to play host to student groups from the Harvard Business School, Wharton School of Business, MIT Sloan, besides Business Editors from overseas, media groups and business delegations from Fortune 500 companies. IBEF is equally glad to facilitate international business conferences in India and communicate India's fast-paced business dynamism to overseas target markets through India roadshows abroad, which is our next phase of action.

**What is the nature of link between IBEF and the Confederation of Indian Industry?**

A working arrangement was defined between the IBEF and CII based on extensive discussions held between the CII and the Ministry of Commerce, Government of India, during 2001 and 2002. A Memorandum of Understanding was signed in October 2002. Costs for the management team of IBEF are shared by IBEF and CII. CII on its part provides its premises, at no cost to house the IBEF management team.

**In your experience, what are the main problems that you encounter in promoting Indian industry/brands abroad?**

Typically Indian industry still has to battle against images and the mindset that India is a difficult place to do business with and concerns about quality of its products. Our success in IT and IT enabled Services have worked well, in good measure, in redeeming industry from this typecast.

Today wherever we travel, the superior quality and skills of our manpower are highly applauded. With companies like GE scoring huge successes in the Indian market combined with the positive approach to reforms within the country, markets abroad are increasingly realising that India just cannot be ignored. The success in the services industry is being closely followed by those in the manufacturing industry. The world is now taking note of India.

**In the past two years, with India becoming better known because of**

**its IT success etc, has perception in the industrialised West about Indian expertise changed a bit? I mean, is it now becoming easier to sell a made-in-India product...**

As I did state earlier, the success demonstrated by India in the IT industry is definitely lending sheen and making the world notice the strides made by other segments of Indian industry. Just to mention a few for instance, Hero Honda is the world's largest producer of motorcycles in the world; Hero Cycles is the leading bicycle manufacturer in the world; Moser Baer is the world's third largest optical media manufacturer; Essel Propack is the world's largest laminated tube manufacturer; Welspun is the largest terry-towel manufacturer in the world, Bharat Forge is the second largest forging company in the world, Reliance is the world's largest grassroots, or greenfield, refinery, Mahindra & Mahindra is amongst the world's top four tractor manufacturers, India has the largest number of SEI CMM Level 5 software companies in the world, India is among the world's largest manufacturing centre for cut and polished diamonds, 11 out of 12 stones set in jewellery worldwide come from India and India is also among the second most entrepreneurial culture in the world, and of course some of the richest people in the world are Indians.

These are facts which have been there all this while, yet I would like to believe that it is our success in IT which has provided the opportunity to reveal to the world our success stories in other industry segments. To that extent, success in IT in the Indian industry has led the world to acknowledge our people's strengths and managerial skills.

**What still remains to be done about changing perceptions about India's technical competence? And how can IBEF help?**

There is much that needs to be done on this front. Our skills and prowess in Science and Technology, R & D capabilities, improving Quality standards need to be made known. These are fields, where large scope exists for both attracting foreign investment and building export competitiveness. In this context, IBEF is geared to the task through information dissemination on these subjects through its various existing tools such as the website, which is our interactive window with the world as



well as facilitating visits of overseas business delegations/media into India. Equally, our two eNewsletters regularly carry facts and figures that show how our technical abilities are growing, not to mention the increasing number of Indian faces that are now steering the ships of well-known international business conglomerates. IBEF is also in the process of building a network of Brand Ambassadors, who could aptly portray the dynamic face of India.

**How do you see IBEF evolving in the next five years? Do you have a time-bound strategy?**

There is so much that needs to be done and can be done. We would like to evolve from being a Resource Centre, Forum for brand vision development and a Coordinator of strategic marketing initiatives, albeit while still performing these functions, into facilitating and bringing foreign investment into India as well as promoting exports from India, which would be a robust measure of our deliverables and contribution to Brand India. Our plan of action is regularly reviewed and is evolving with the guidance of the Ministry of Commerce and the Board of Trustees. In our first year when IBEF transitioned from a Fund to a Foundation, IBEF focused on developing a resource centre in 2004 and in 2005 we aim at scaling up, through partnerships, and moving closer to markets abroad.

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