

POPeyed Staff Helps HUL Take Stock

Project enables staff across departments to flag products shortage in any store in country

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Hindustan Unilever has launched an initiative that allows employees across departments to flag products shortage in any store in the country, a move that can help the country's largest consumer goods maker stem loss of clients to rival brands.

Under the programme, termed 'POPeYE', employee feedback on stocks lands at a call centre or a dedicated portal, which then validates at the backend on a real-time basis before alerting the sales department.

"We have employees across the length and breadth of the country who can support on sales everyday, rather than just on few occasions," said Hemant Bakshi, executive director for sales and customer development at the Indian unit of Anglo-Dutch Unilever.

In its pilot project launched in Bangalore six months ago, HUL received 230 calls from 100 outlets, which were converted into action points for the sales team. Last month, the company extended it to Chennai and Baddi plant in Himachal Pradesh.

"We have over 2,000 people in sales who execute these tasks

daily and suddenly the number of employees keeping an eye on sales opportunity will increase manifold," Bakshi said.

Analysts say the company stands to benefit.

"It will help plug loopholes in HUL's distribution system, if any, especially while reaching out to last-mile consumers, said Himani Singh, equity analyst at Elara Capital.

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The maker of Dove shampoo, Lux soap and Rin detergent hopes that the strategy will imbibe a sense of ownership in its employees.

"Even they are shoppers and every feedback is important to us," Bakshi said.

HUL, which claims on-shelf product availability of about 95%, has been working on sprucing up its distribution network. Employee-led initiatives have helped it double its direct reach to two million outlets in two years.

For HUL, 'POPeYE' is a larger version of its 'Mission Bushfire', a consumer connect exercise carried out last year to in-



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crease availability of HUL products in 16,000 'kirana' stores and give them more visibility. According to company estimates, the project boosted sales by 40% in stores where it was implemented.

"It will also provide them with insights on some SKUs (stock keeping units) demand, which

might not be getting captured at some select outlets," Elara Capital's Singh said.

During 2010-11, HUL added over 600,000 outlets and tripled its direct coverage in rural India, which contributed to 50% of its rural growth.

HUL's rival P&G too has doubled its distribution reach over