

We're not in the business to defend market share but to grow it



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THOUGH the fierce price-war in detergents, which started over three-and-a-half years ago between Hindustan Unilever (HUL) and a born-again Procter & Gamble in India, is over for good, it seems to have left a deep impression on the man who, ironically did not lead from the tranches at HUL, but was observing the fight from the sidelines, as an outsider at Castrol India. "We are not in the business to defend or protect market shares. We are in the business to grow it," says **Sudanshu Vats**, category head, home care, HUL, who has been with HUL all along (since passing out of IIM Ahmedabad in 1991), barring that brief stint (late 2004 to mid 2006) at Castrol during the height of the sudsy wars between HUL and P&G. True to HUL's heritage of expanding the pie, its growing detergent consumption through upgradation of existing users and netting new users that preoccupies Mr Vats thoughts currently.

Excerpts:
It is quiet now on the detergent front in comparison with 2004's famous price wars...

India is a large market and all companies view a big growth opportunity in this market. Expectations also build when companies see a one-billion consumer base with a 200-million potential middle class. India as a market is underdeveloped and eventually compa-

nies get down to really understanding it and strategise to build the market for the future. HUL which is the market leader will need to defend any competitive threat and continue to grow the market. At times, defence entails a price battle as it happened in laundry in 2004.

HUL may have defended its market shares well, but growing consumption?

In a country like India, we are in the business of growing the market share and the market. The fundamental work of developing the market alongside competitive share growth becomes critical. With the growth in organised retail abundance of choice and increase in disposable incomes, the repertoire of clothes is increasing. More and more Indians (especially in urban India) are owning a wide variety and more expensive clothes, which drives the need to take care of them. This is opening up opportunities for specific products and formats — premiumisation (in short).

The second route to upgradation is change in habit. Direct application products (bars) to solution wash (powders). And the third route to upgradation is when consumers move from solution wash to machine wash. Even this phenomenon can be further segmented into those using semi-automatic machines where personal involvement is high. And those who

