

‘If HUL would have had cold, I’d be sick’

Unilever’s Former CEO Paul Polman Credits Indian Arm For Success Of Global Giant

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Mumbai: Success is relative for Paul Polman, who has just concluded a 10-year stint as CEO of the \$60-billion Unilever, during which the global consumer products giant made over 50 acquisitions and reported 300% shareholder returns. Giving credit to Hindustan Unilever (HUL), Polman said the Indian subsidiary has been a big driver of Unilever’s success.

In these 10 years, HUL’s business grew 2.5 times, with share price rising seven times. In an exclusive interview to **TOI**, Polman said, “I’m grateful for that. And that’s why I not only love this country (India) for a lot of reasons, but also my job was dependent on the success of HUL. If HUL would have had a cold, I would have been sick.” A couple of years ago, India became the second-largest country for Unilever, after the US.

Polman, 62, said his stay at Unilever was longer than an average CEO’s because he was motivated to bring in transformations. “Bringing purpose to the business is a very profitable agenda. By delivering top line and bottom line growth, we have proved many critics wrong that Unilever cannot grow the two lines together,” said Polman, who was given a farewell in Mumbai at the same hotel where he was first welcomed in 2008 — an event the Dutch leader would never forget as he, along with other board members of HUL, had escaped the fateful 26/11 terror attack.

Polman’s tenure stands out for the decisions he took, some of which irked certain investor factions — from do-

ing away with giving guidance on quarterly earnings, to changing the compensation system for the long term and to the failed bid to move Unilever’s headquarters out of London. He appeared nonchalant. “Despite a very tough external environment since the crisis (2007-08) in which many companies have disappeared at a higher rate than ever before, I would tend to believe that if we would not have done some of those things, it could have had serious consequences even for our company,” he said.

His successor Alan Jope, an insider, is expected to take

re’s a need to be very close to the market. The speed and the cost at which you can make these ads, as well as the content, is changing. The ad industry is going through a major revolution. And some of the companies have adapted to that faster than others. This is forcing ad agencies to become agile,” he said.

Though the new tech-based media companies are disrupting the conventional media industry, Polman believes some of them are grappling with basic values. Factors like data privacy and other issues of concern can devalue brands, he said. Unilever, he



“By focusing on many other things — including product quality, treating our consumers with respect — we consistently grow (in India), while these local companies have come under pressure and are going down because they didn’t stick to some of these principles that ultimately are important

Paul Polman | FORMER CEO, UNILEVER

the organisation to its next level of growth. “The reason we decided that it’s a good time now for someone else to come in is because the company needs to continue to refresh itself and make changes. We have to become even faster than we are today. We have to become even more digitally savvy. We have to drive our brands even higher with purpose because the consumer would demand that even more so in the future,” he said.

Pointing out how the changing environment and technological disruptions were altering client-advertising agency relations, Polman said Unilever no longer runs one big advertisement for a year or two. It makes 5,000 pieces of content every day now. “The-

said, would work with organisations in the value chain that are willing to progress. “I expect that companies like ours — the biggest advertisers — need to be that force for change. You cannot just celebrate the positiveness and say we connect people or we make education available. You also have to take the responsibility of your total impact,” he said.

A small brand can today be equally fast and close to the consumer. In India, for instance, HUL was facing an onslaught from Patanjali, but the latter has been struggling with its supply chain processes. “Unilever in India, despite the big growth of one of the local competitors, has grown the market share seven times,” he said.