

Published Date:	30 Jan 2025	Publication:	The Economic Times [New Delhi]
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# HUL Bets on Global Health Drink to Add Zing to Premium Portfolio

Co brings hydration drink Liquid IV to grow in ‘under-penetrated’ formats, says top exec

Sagar Malviya

**Mumbai:** Unilever is bringing hydration drink Liquid IV, its largest global brand in the health and wellbeing business, which will compete directly with energy and sports drinks such as Logan Paul's Prime, Red Bull and Gatorade. The plan to introduce Liquid IV is part of Hindustan Unilever's wider strategy to grow the share of its premium product portfolio by 9 percentage points in the beauty and wellbeing business—its biggest profit generator currently.

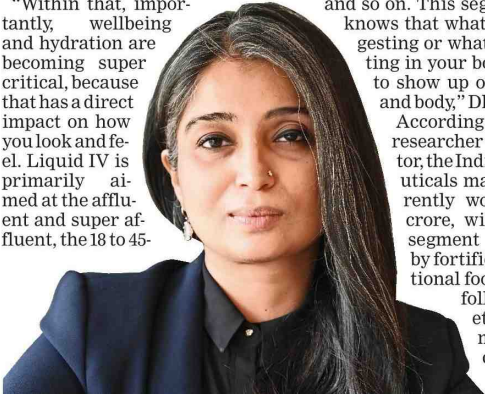
“When we look at our portfolio, a large part sits in core or mass products, which are highly penetrated, and we will shift the portfolio by 900 basis points in favour of premium from where we are today,” Harman Dhillon, executive director of beauty and wellbeing at HUL, told ET. “We have identified formats which are relatively under-penetrated, where we are seeing rapid adoption of regimes and consumers willing to pay more money for formats, including at masstige pricing, which is a huge space.”

Unilever acquired Liquid IV in 2020 and has since quadrupled

growth to become the largest powdered hydration brand in the US. The brand was also launched in the UK, China, Canada, Australia, Mexico, and the Netherlands. In India, the hydration market is about \$1 billion annually but is largely restricted to urban areas.

HUL said it has identified a gap at the premium end, especially for beauty and wellness, to tap into nearly 70 million affluent and super-affluent households in the country.

“Within that, importantly, wellbeing and hydration are becoming super critical, because that has a direct impact on how you look and feel. Liquid IV is primarily aimed at the affluent and super affluent, the 18 to 45-



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Executive Director,  
Beauty & Wellbeing, HUL

year audience, who travel more, lead an active lifestyle, play sports and so on. This segment today knows that what you are ingesting or what you're putting in your body is going to show up on your face and body,” Dhillon said.

According to market researcher Euromonitor, the Indian nutraceuticals market is currently worth ₹47,000 crore, with half the segment dominated by fortified and functional food products, followed by dietary supplements at a quarter of the seg-

ment.

Mainstream fast-moving consumer goods companies have entered the market, mostly in the functional food category. HUL, in 2023, invested in Zywie Ventures, which sells plant-based supplement brand Oziva, and Nutritionalab, which owns nutritional products under Wellbeing, to enter the health and wellness market worth ₹30,000 crore. Last week, the company acquired direct-to consumer beauty brand Minimalist for ₹2,955 crore.

“Beauty and well-being are inextricably linked because consumers, especially the affluent, are realising that what they ingest determines the health of their skin and hair and the need for hydration is becoming critical. If you look at all the skincare or hair care trends, and if you look at what is percolating to the new consumer packaged goods launches, you are seeing a surge of conversation around hydration,” she added.

In April last year, HUL reorganised its beauty and personal care (BPC) division to sharpen its focus. The new beauty and wellbeing division accounts for nearly a fifth of the company's sales and contributes about a third of profit.