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The consumer goods major also aims to contemporize its offline businesses. REUTERS

HUL ramps up premium beauty biz post spinoff

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 NEW DELHI

Packaged consumer goods company Hindustan Unilever Ltd (HUL) plans to “significantly” expand its premium beauty business and accelerate premiumization across its existing personal care brands, such as Tresemme and Lakme, three years after introducing a range of digital-first brands, said a top company executive.

The premium beauty business unit (PBBU) brands have achieved an annual recurring revenue (ARR) of ₹100 crore, in record time, since its inception three years ago, the company said. These brands include Simple, Love Beauty and Planet, Acne Squad, and UV Squad.

“We carved out PBBU to target affluent India with digital-first brands, (focussing on) angular demand spaces and very differentiated marketing models,” said Harman Dhillon, executive director of beauty and wellbeing, HUL managing committee. With consumer needs evolving rapidly in India, HUL aims to contemporize its offline businesses, with brands such as Sunsilk or Ponds, by

driving innovation and integrating the insights from the affluent segment, embedding it at scale, she added.

“Our ambition is how we really cater to the evolving beauty needs of India, segmenting it finely, to say, there is a certain set of consumers who are super affluent, and then those who are offline, but are also seeking superior regimes and premium products.”

In December, HUL had announced the spin-off of its beauty and personal care division into two dedicated businesses—beauty and wellbeing (B&W) and personal care (PC)—effective 1 April, 2024.

“There was a growing understanding within the business that one part of the business needs new-age marketing, different business models and a different end-to-end supply chain. It was important to ensure we treated it like the engine of the future, with ecosystems which are dedicated to it across the spectrum, and not just from a brand-building perspective, but also from a sales and supply chain perspective,” she said.

HUL’s beauty and wellness unit operates over 15 brands with an estimated annual revenue of ₹12,000 crore in FY23.

The packaged consumer goods co will accelerate premiumization across existing personal care brands