

'HUL's Vim may soon become ₹3K cr brand'

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Mumbai, 3 December

Hindustan Unilever (HUL)'s Vim brand, which leads the market in the dishwashing space, is expected to cross the ₹3,000 crore mark soon in sales. The company has now entered the floor cleaning category with the same brand. It currently has 19 brands with revenue of over ₹1,000 crore. "Vim should cross ₹3,000 crore anytime now," Srinandan Sundaram, executive director of home care at HUL, told *Business Standard*.

"We are going with the brand... with the superior product story, but we are very mindful and humble enough to accept that the competition is strong," Sundaram said.

He added that competition has built this category and, therefore, the company is not expecting miracles. "We will invest in building the category. Our

approach to floors is that when you look at the penetration of floors over a long period of time, it remains where it is. It hasn't increased, which means the people who are still using phenyl or proxies, continue to use them," he explained.

On the category segment (homecare), which is the highest contributor to HUL's revenue, Sundaram said growth will be volume-led.

"We are not seeing much pricing, and as far as our portfolio is concerned, we will maintain our competitiveness in the subsequent quarter," he said.

Sundaram also said, "Now, a lot is going up and down, so will we sustain the same volume momentum? It is very difficult to predict but suffice to say that it will be volume-led, and we will be competitive like we were in the last quarter."

Talking about the laundry segment in which HUL has strong brands like Surf Excel and Rin, he said consumers are upgrading in their usage preferences.

In urban areas, users accelerate from powder to liquid much faster, Sundaram explained. When a consumer moves from powder to liquid, the price per wash also goes up as the dosage is higher than that of powder, which makes it easier to realise more money for the same tonnage sold.

"One part that is certainly benefiting us is all the market-making that we are doing by investing in trial generation and by making a Tier-II presence with Rin liquid, which we did the previous quarter. So, this is helping accelerate heavy powder users to move to liquid, and in total, they end up paying you more, so you realise more revenue, which is predominantly an urban phenomenon," Sundaram explained.

