ANNUAL INVESTOR MEET 2019: BREAKOUT SESSION

RE-IMAGINING HUL: DIGITAL TRANSFORMATION TO BUILD A FUTURE FIT HUL

With a population 1.3 billion and a GDP of ~US$2.6 trillion, India's ascend to the world economy is a well-known story. However, critical to India's next growth trajectory will be the surge in the digital ecosystem that will catapult it to a US$ 10 trillion economy. Today the country has 1.2 billion* mobile phone subscriptions and 560 million* internet subscribers, making it one of the fastest digitising country. A mammoth 8.3 GB* per capita data consumption/ month is making it one of the highest data consuming market. In 2018, Indians have downloaded 12 billion* apps, changing the dynamics of consumer experience. Despite these staggering numbers, only ~50% of Indians are online, speaking volumes of the huge disparity across India. We call it 'the Great Divide', which is making it imperative for us to serve all of India.

With disruption becoming par for the course, we observe different retailer and distributor's business models and a non-linear consumer journey. To be at the forefront of such a changing ecosystem, we continue to put a big thrust on leveraging technology and data-led decision-making. We are choreographing an integrated end-to-end organization change program across functions as encapsulated in our vision 'Re-imagining HUL'. Today we don't have full visibility to the extent of growth potential in the market due to asymmetry of information across the value chain. An integrated solution will bring information together in a more harmonised manner which we believe will help us leverage the full potential of growth.

The 'Re-imagining HUL' program in summary:

PICKING UP CONSUMER SIGNALS

- We have the capability to pick up consumer signals real time. We can use our own channels to read the consumer feedback.

GENERATING DEMAND

- Driving precision marketing to bring alive how we communicate with consumers, how we identify their aspiration space and how we curate the cohort and content based on that.
- We also have two strong content hubs Be Beautiful and Cleanipedia running across Beauty & Personal Care and Home Care; which work as a great source of data for the business and helps in creating cohorts and traits.

DEMAND CAPTURE

- Our Connected Stores Program is now coming of age as we are creating a complete eco system across shoppers, stores and retailers covering demand generation, capture and fulfilment.
- Our Humrashop program has evolved and we are now focusing on how we can improve shopper experience even more through faster delivery and great user interface.

DEMAND FULFILMENT

- A big shift in this space is going from a "Service" mindset to a "Fulfilment" mindset. Key to our disruption will be that we will look at each line of the order and will work with the distributors to ensure we are able to build assortment.

ENABLED BY

- DATA
- AUGMENTED DECISION MAKING
- NEW BUSINESS MODEL
- PEOPLE, CAPABILITY & CULTURE
- AUTOMATION

Collectively, these initiatives will strengthen our data moat, and build an organization which is purpose led and future fit.

**Digital India – Technology to transform a connected nation; McKinsey Global Institute, March 2019*