

CATEGORY UPDATES

ANNUAL INVESTOR MEET | 2 JUNE 2017



Hindustan Unilever Limited



HOME CARE

Priya Nair

SAFE HARBOUR STATEMENT



Hindustan Unilever Limited

This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international oil prices and input costs and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward looking statements as may be required from time to time on the basis of subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.

2016 PERFORMANCE HIGHLIGHTS

COMPETITIVE, PROFITABLE, SUSTAINABLE GROWTH

30%

Of HUL's Size

No 1 Position

In All Key Sub Categories

450+ bps

Delta Margin 2013-16

9/10 Indians

Our Consumer Franchise

LAUNDRY PORTFOLIO STRADDLES THE PYRAMID



INVESTING TO WIN IN MANY INDIAS



Capability and Portfolio to win everywhere

Tailored actions and investments for differential results



Hindustan Unilever Limited

OUR STRATEGY



STRENGTHENING OUR LEADING POSITION



**Innovate For
Premiumization**



**Strengthen the
Core**



**Develop Formats
of the Future**



**Improve
Profitability**

INNOVATE FOR PREMIUMIZATION

AGGRESSIVELY DRIVING PREMIUMIZATION TO STRENGTHEN POSITION IN LAUNDRY Hindustan Unilever Limited



Through Consumer Centric Innovations

Rin: Water Saving Detergent Bar



Surf Excel Matic Liquid



INNOVATE FOR PREMIUMIZATION

RIN BAR: WATER SAVING TECHNOLOGY THAT DELIVERS SUPERIOR BRIGHTNESS



Hindustan Unilever Limited

Rinsing – 30% Of Daily Water Consumption



Increasing Instances Of Drought



जबरदस्त चमक का वादा
पानी लगे आधा[^]

NEW
Rin
₹10* ONLY

चमकते रहना

170 ml

सॉफ्ट रिंसिंग बार से दुबई, यहाँ में प्रत्येक 100 ग्राम रिंसिंग बार आमतौर पर 170 ग्राम रिंसिंग बार की तुलना में कम पानी का उपयोग करता है।



INNOVATE FOR PREMIUMIZATION

SURF EXCEL MATIC LIQUID: INDIA'S FIRST LIQUID MATIC DETERGENT



Hindustan Unilever Limited

Delivering Formats Of The Future And Educating Consumers



Surf Excel Matic

INNOVATE FOR PREMIUMIZATION

PREMIUMIZING DISH WASH THROUGH INNOVATION

NOW Launching **VIM EXTRA** with *natural Pudina* !
To address one of India's biggest concern in dishwash



REMOVES TOUGH SMELLS

Best in class 'Grease removal'
+
Fragrance Technology to
Fight Toughest of food smells

Onion

Garlic

Masalas

EGG



INNOVATE FOR PREMIUMIZATION

PUREIT: DISRUPTING CATEGORY THROUGH AFFORDABLE INNOVATIONS



Hindustan Unilever Limited



Gravity Range
2008-12



Low Cost Ro & UV Range
2016-17



Premium RO + UV Range
2014-15



STRENGTHEN THE CORE

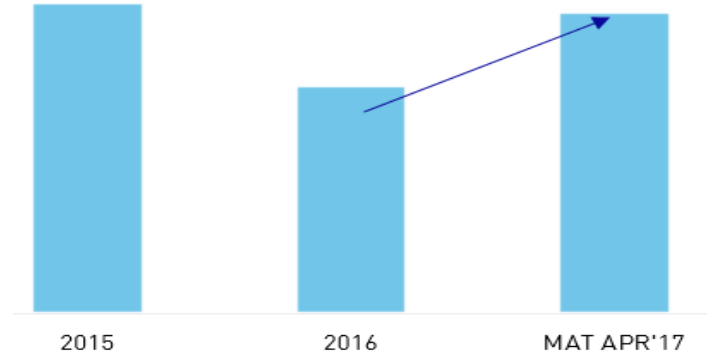
LAUNCH OF WHEEL 2-IN-1

With the dual benefits of deep clean and
Malodour Removal



Turning around the Segmental Share
Trajectory

Wheel Powder Share of Segment



DEVELOP FORMATS OF THE FUTURE



Fabric Conditioner



Dish wash Liquids

Through Education and Sampling

THE SCIENCE OF SAMPLING: UNLOCKING GROWTH

PRODUCT SAMPLING FUNNELS



WHERE?



WHAT?



HOW MUCH?

Maximizing Scale and ROMI

EDUCATING CONSUMERS WITH SCALE

REACHING OUT TO PROSPECTIVE CONSUMERS DIRECTLY

X

Mn Contacts

2014

2.5X

Mn Contacts

2016

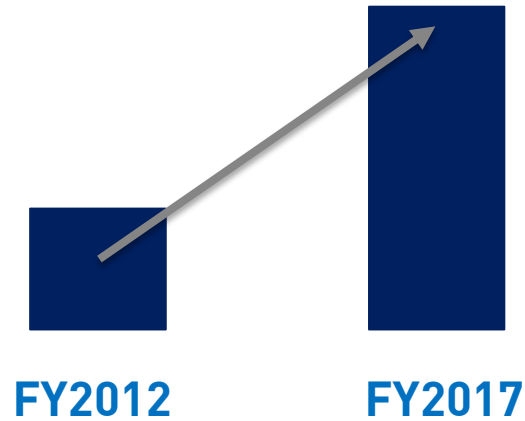
3.1X

Mn Contacts

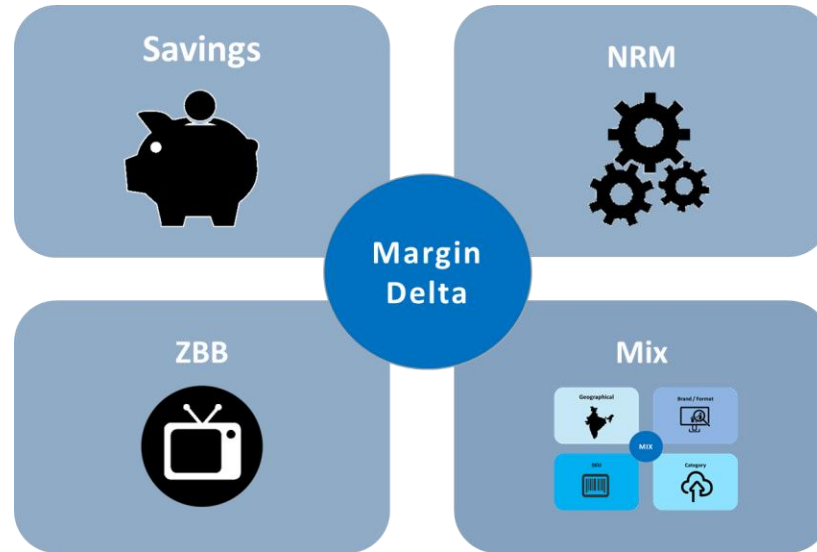
2017

CONSISTENT PROFITABLE PERFORMANCE

450+ bps improvement in
Margin



COMPREHENSIVE MARGIN IMPROVEMENT PLAN



Increased Agility to respond better to Competition/Environment



THANK YOU

India's first transgender band
invites you to...

Aao Bajao Taali!



REFRESHMENT

Sudhir Sitapati

OUR PORTFOLIO



Hindustan Unilever Limited



TEA



COFFEE



ICE CREAM &
FROZEN DESSERTS

GLOBAL POSITION

#1

NA

#1

INDIA POSITION

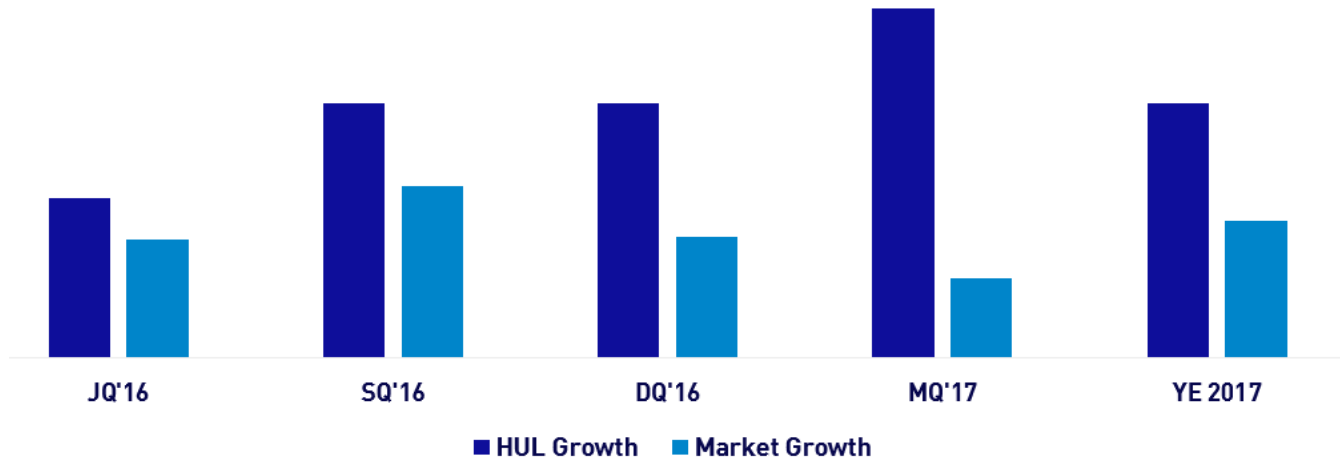
#1

#1

#2

OUR PERFORMANCE

Consistently growing ahead of the Market



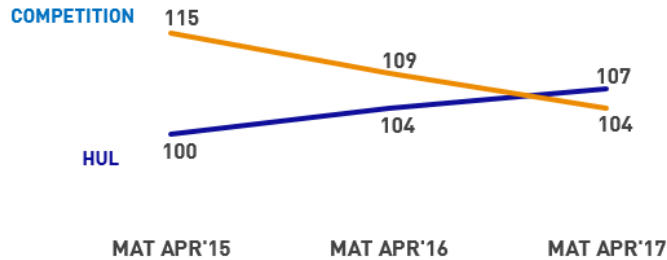
Turnover ~ Rs. 5000 cr. in 2017

KEY HIGHLIGHTS



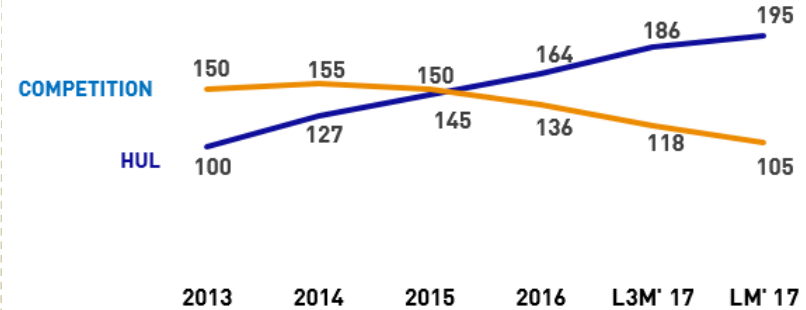
Hindustan Unilever Limited

Decisive Leadership in Coffee MAT Market Shares



...and in Green Tea

Decisive Market Share Leadership



Brooke Bond: the most awarded Indian Brand



Laadli
A Girl Child Campaign
By Population First

Beating Demonetization: 8% USG in DQ



THE OPPORTUNITIES

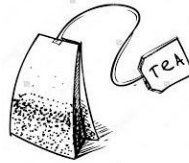


Hindustan Unilever Limited

40% of tea in India is still sold loose



Only 1% of tea in India is sold in tea bags



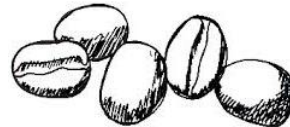
Value added teas – Green and flavoured are exploding



Coffee penetration in India is at 20%



....3/4th of which is in conventional coffee



Ice Cream consumption is 300 ml per capita





OUR STRATEGY



THE STRATEGY

Core



Win in the core

Market development



Create high margin new categories

Accessibility



Allow Consumers to access big brands

STRATEGY: CORE

Win in the core



Better Products



Tailor made tea blends
to suit region specific
tastes



Brand Love



Building emotional
connect with our
brands



STRATEGY: MARKET DEVELOPMENT

Create high margin new categories



Insightful communication



New ideas



Sampling



STRATEGY: ACCESSIBILITY



Hindustan Unilever Limited

Allow Consumers to access
big brands



Access Packs



Distribution



IN SUMMARY

Core



Win in the core

Market development



Create high margin new categories

Accessibility



Allow Consumers to access big brands

India's first transgender band
invites you to...

Aao Bajao Taali!



THANK YOU

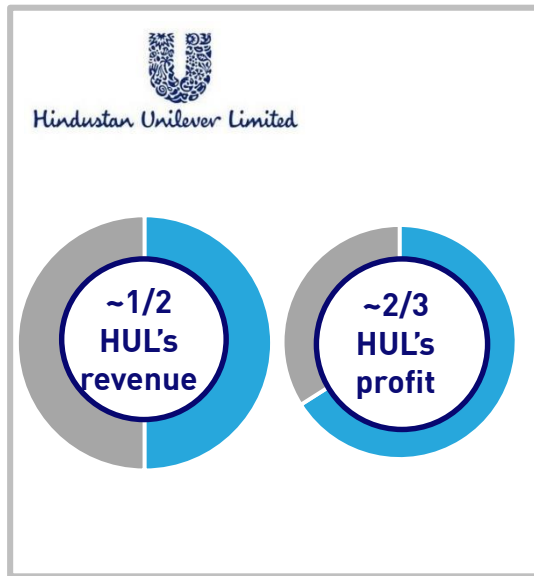


PERSONAL CARE

Sandeep Kohli

INTRODUCING PERSONAL CARE

Largest Personal Care business in India



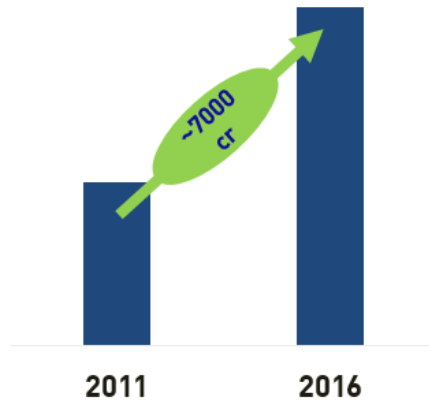
Iconic brands leading category positions



CONSISTENT TRACK RECORD

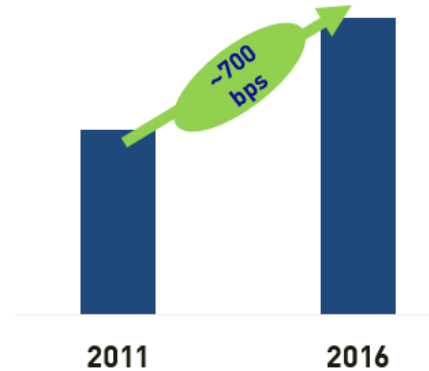
Growing the Market +Competitive Growth

Revenue



Profitable Growth

Operating Margin



HEADROOM FOR GROWTH ACROSS CATEGORIES & SEGMENTS

CONSUMPTION

Personal Wash

1.6x

Face Creams

2.7x

Shampoo

2.6x

Deodorants

4X

Toothpastes

2x

PENETRATION

Body Wash

Hand Wash

Hair Conditioner

Anti Perspirants

Categories with low
single digit penetrations

GROWING THE MARKET

More Users



Penetration

More Usage



Consumption

More Benefits



Premiumization



Hindustan Unilever Limited

OUR STRATEGY

LUX

Dove

Pears®

Rexona

Hamam



NEW Fair & Lovely

POND'S



LAKMÉ

St. Ives
FRESH BETTER NATURAL

CLINIC
PLUS+

!
sunsilk
DESIGN IN NATURE

TRESemmé
USED BY PROFESSIONALS

indulekha™

closeup

Pepsodent

ayush
LEVER
therapy

AXE

MISSION

INSPIRE A BILLION INDIANS TO TAKE MORE
CARE OF THEIR PERSONAL CARE

KEY THRUSTS

Make Core Brands Aspirational



Accelerate Premiumization & Market Development



Build a Naturals portfolio based on expertise & efficacy



Enter Emerging Segments : e.g. Baby



Winning in E-Commerce & Digital



MAKING CORE BRANDS ASPIRATIONAL

LUX



Hindustan Unilever Limited

Reviving the Heritage of Bollywood



Premiumisation



New Formats



#1 Beauty Soap in India for the last 90 years

MAKING CORE BRANDS ASPIRATIONAL

BUILDING ASPIRATIONS IN EACH CATEGORY WITHIN THE PORTFOLIO

Hair Care



Skin Care - Face



Skin Care – Hand & Body



Skin Cleansing



Oral Care



Deodorants



ACCELERATE PREMIUMIZATION & MARKET DEVELOPMENT

HAIR CARE

Portfolio based on consumer needs

5 sharply defined brands



- Shape 27%
- Long 17%
- Hairfall 13%
- Dry 11%
- Damage 9%
- Color 9%
- Shine 6%
- AD 6%

CLINIC PLUS+

Dove

TRESemmé

sunsilk



Premiumising the category by Higher order benefits

INTENSE REPAIR	HAIR FALL RESCUE	DRYNESS CARE	OXYGEN MOISTURE	NURISHING OIL CARE
SMOOTH	VOLUME	BOTANIQUE	SPA	IONIC STRENGTH

Building New Regimen



Only player adding penetration and growth

ACCELERATE PREMIUMIZATION & MARKET DEVELOPMENT

SKIN CARE

Building Premium Brands



New Benefits & Sensorial



Leading Trends



HUL has ~40% of the overall Premium Skin Lightening market

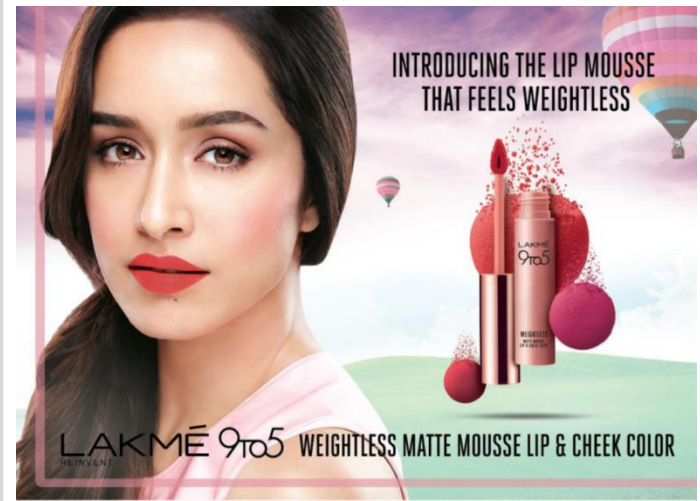
ACCELERATE PREMIUMIZATION & MARKET DEVELOPMENT

PREMIUMIZING THROUGH TREND SETTING INNOVATIONS: LAKME

First Argan Oil Infused lip care in India



Weightless Mousse



Lakme is India's No. 1 Makeup Brand

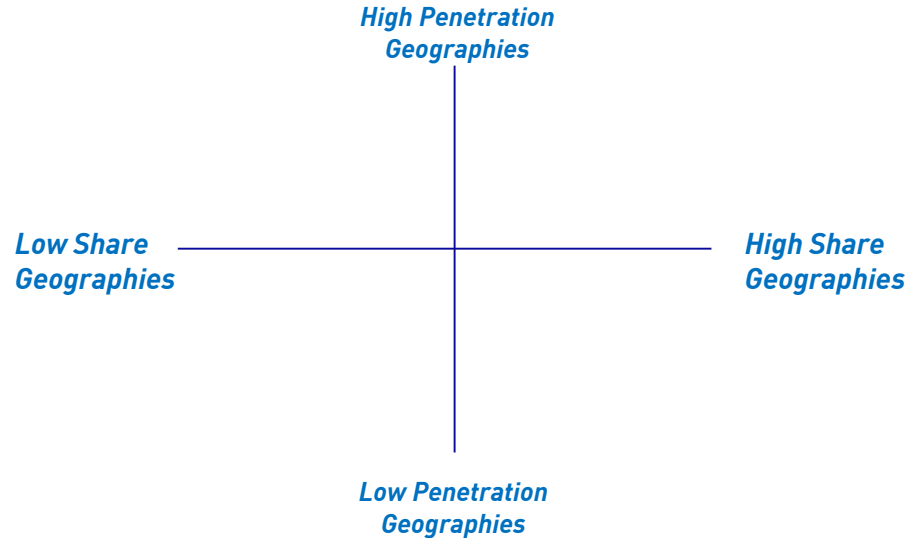


Lakme Argon Oil

ACCELERATE PREMIUMIZATION & MARKET DEVELOPMENT DEPLOYMENT THROUGH THE WIMI LENS



Cluster based jobs & marketing campaigns



ACCELERATE PREMIUMIZATION & MARKET DEVELOPMENT A CLEAR MODEL OF DEPLOYMENT, FOCUSED ON SAMPLING

Sampling a key mechanism of driving trials



E-COM PACK WITH EDUCATION,
AND TARGETING
(BASED ON PIN CODES)



CHILD PACK WITH
EDUCATION



HANDWASH MINI-CARTON
WITH EDUCATION



H2H ON POND'S BB



CONTEXTUAL SMS
TARGETING ON POLLUTION –
PURE WHITE FC



JACKET SAMPLING FOR LARGE
CHILD PACKS

70 Mn Samples across various mediums

BUILDING A NATURALS PORTFOLIO BASED ON EXPERTISE & EFFICACY

Within existing brands



Building master brands



Building specialist brands



ENTERING EMERGING SEGMENTS: BABY

BABY DOVE LAUNCHED IN SELECT MARKETS



Hindustan Unilever Limited



WINNING IN E-COMMERCE & DIGITAL

Replicating Perfect Stores online

Pack
Can our shoppers recognise & easily choose BRAND / FORMAT / VARIANT / SIZE?

Product
Can our Shoppers Add our Brands to Basket? Access the Range Shopper expects?

Place
Find our Brands online? Find them on retailers website / mobile app?

Proposition
Call to Action, Will it be good for me? Reasons to purchase?

Promotion
Media or offers to capture shoppers? Are we competitive vs similar brands?

Price
Shoppers use online to research price Don't give shoppers a reason to leave us

DEFINITIONS & Iconography

6Ps for ONLINE

Perfect Store Online



Declutter Front of Pack and Zoom In

On Pack Messaging Hierarchy



1. Brand Lock Up
2. Range Name
3. Subrange
4. Variant Name & Illustration
5. Product Name
6. Product Benefit
7. Product Claim
8. Size (not visible on back)

eCommerce 4 messages ONLY



1. Brand Lock Up
2. Format
3. Variant / Benefit
4. Size

JBPs with Leading Players



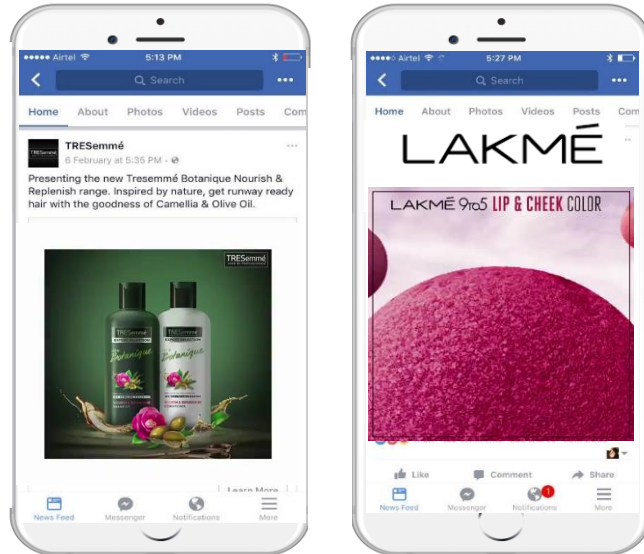
5th largest Personal Care E-commerce business for Unilever globally

WINNING IN E-COMMERCE & DIGITAL LEADING IN MARKETING IN A DIGITAL WORLD WITH MEASURABLE METRICS



Hindustan Unilever Limited

Thumb stopping creatives for Social media & mobile



Preferred destination for content

“Be the Wikipedia of Personal Care in India by answering all search queries on personal care through our brands “



Become the 2nd largest beauty portal in India

9 Million visits and 12 Million queries answered in the past year alone on BeBeautiful



Be Beautiful

KEY THRUSTS



Make Core Iconic Brands Aspirational

Accelerate Premiumisation and Market Development

Build a Naturals portfolio on Expertise and Efficacy

Enter Emerging Segments : Baby

Winning in E-Commerce and Digital



PERSONAL CARE

Sandeep Kohli



FOODS

Geetu Verma

STRONG TRACK RECORD

Reaching critical Scale



Turnover ~1000 cr.

Leadership in core categories



KETCHUP



JAM



SOUPS

With double digit growth over past 5 years

BRANDS HAVE STRENGTHENED



Brand Equity Score	↔	Increased by avg. 900 bps	↔
Increase in BMI	↔	Increased by avg. 330 bps	↔
Internal Distribution	↔	Average double digit increase	↔

Penetration scores MAT Mar'16-17 over Mar'13-14
IMRB

Millward Brown Brand Equity Scores- Tracked from
MAT Q313 to MAT Q1 17

Distribution of FY 16 over FY 13

2016: A MODEST PERFORMANCE



Hindustan Unilever Limited

1

Challenging External Factors

Bread Scare Impacts Jam

Printed at: May 27, 2016, 2:08 PM. Last updated: May 27, 2016, 3:40 PM (IST)

40% dip in sales, bread makers say no to potassium bromate

State | Text | Share | Email | Print



Daily diet

- Bread manufacturing has the highest sales (Rs 7,000 crore annually) after milk
- 10 lakh loaves of bread are sold in the country daily
- After the CSE report,

Noodle FSSAI Issue

Maggi Controversy boils for the 2 Minute Noodles

First instant noodle brand in India-40% share Maggi is an international brand owned by Nestle, since 1947

Monosodium glutamate (MSG)

Monosodium glutamate (MSG) is a common food additive used in soups, sauces, and other processed foods. It is a natural amino acid that is found in many foods, including tomatoes, mushrooms, and soybeans. MSG is used as a flavor enhancer in many processed foods, including instant noodles.

Lead poisoning

Caused by increased levels of the heavy metal lead in the body. Symptoms include abdominal pain, constipation, headache, anemia, irritability, and in severe cases, coma, and death.

Can cause headaches and other feelings of discomfort collectively known as Chinese Restaurant Syndrome.

Lead poisoning

Caused by increased levels of the heavy metal lead in the body. Symptoms include abdominal pain, constipation, headache, anemia, irritability, and in severe cases, coma, and death.

Drought & Demonetization

ATMs Shut for 2 Days, Surgical Strike on Terror Funding, Undisclosed Money

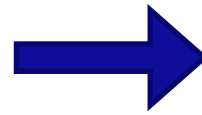
Black Out? ₹500, 1000 Notes No Longer Valid

ATMs run dry as people rush to draw ₹100 notes

Now, an involuntary disclosure scheme

2

Fine Tuning Innovations Knorr Masalas



Mix fine tuned & relaunched in Maharashtra



Continue to drive Trials



OUR STRATEGY



1. Strengthening the Core

Jam Penetration (Urban HHs)



Ketchup Pen - MH (All Urban HH)



2. Driving Innovations



Convenience cooking & eating



International cuisines



Health & wellness

Significant growth opportunity

STRENGTHENING THE CORE

A SCIENTIFIC & DISCIPLINED MARKET DEVELOPMENT MODEL



Hindustan Unilever Limited

1 Creating Relevance



2 Building 360 Salience



4 Driving Product Experience



3 Driving Access Packs



CREATING RELEVANCE

DRIVING STRONG CONSUMER INSIGHTS



60% of Jam consumed with bread, thus building the Breakfast Moment



Increasing relevance of Soups in peak season

BUILDING 360 SALIENCE

RANGING ACROSS ALL POSSIBLE TOUCH POINTS

Winning Proposition



Harnessing Non TV



Partnerships Popular Culture



Build Brand Love



DRIVING ACCESS PACKS

ACCELERATING GROWTH BY INCREASING PENETRATION



**CAGR – 30% to 100%
(2012-2016)**

**And improved
category penetration**

DRIVING PRODUCT EXPERIENCE

SAMPLING AT SCALE

Food Ambassadors



~20% Increase Over FY'16

Dry Sampling



~Doubled Over FY'16

Partnering to sample



Building Consumer Relevance

DRIVING PRODUCT EXPERIENCE

THE ADDA MODEL



SOUPS		
Kissee Tomato Soup	25	
Kissee Mils Veg Soup	25	
Kissee Sweet Corn Soup	25	
Kissee Mushroom Soup	25	
TEA		
Red Label Cutting Tea	10	
Red Label Natural Card Tea	20	
Taj Natural Tea	16	
Lipton Green Tea w/ro Milk	15	
Taj Flavoured Tea Bags w/ Milk	20	
Taj Flavoured Tea Bags w/o Milk	14	
HOT COFFEE		
Brio Gold Hot Coffee	30	
Brio Gold Black Hot Coffee	30	
Brio Gold Choco Coffee	45	
Brio Gold Cinnamon	45	
Brio Gold Mocha	45	
Brio Gold Choco & Cinnamon Coffee	50	
COLD COFFEE		
Brio Gold Cold Coffee	50	
Brio Gold Mango Shake	60	
Brio Gold Devil's Chai Coffee	65	
Brio Gold Cherry Cold Coffee	65	
COLD BEVERAGES		
Kissee Lingo Malt	20	
Kissee Maavla Lemonade	30	
Kissee Lingo Water with Sode	40	
Kissee Crispy Shaki	65	
Kissee Chikoo	30	
Kissee Soda Sarsaparilla	30	
Kissee Mango Shaki	65	
Kissee Berry Lassi	40	
Kissee Almond Honey Shaki	65	

THE ADDA

ADD-ONS

- Chocolate / Cinnamon Powder 10
- Hotshot / Irish Cream 20
- Caramel / Vanilla 20



- “EXPERIENCE” model in Foods and Beverages- franchisee model
- Specifically targeting “snacking” moments
- Over 100 + locations
- 3 Lakh+ consumers interact with HUL brands everyday

DRIVING PRODUCT EXPERIENCE

PREMIUMIZING

International Soups



Premium Jams



Exciting Variants





THANK YOU

THANK YOU

For More Information

VISIT OUR WEBSITE

<http://www.hul.co.in/investorrelations/>

HUL Annual Investor Meet 2017

HUL's Annual Investor Meet 2017 will be held on 2nd June 2017, Friday, at the HUL Head Office in Mumbai

[View more](#)



HUL INVESTOR APP

