CHAPTER -III

BRANDED CONSUMER GOODS
A CONCEPTUAL FRAMEWORK

WORK
## CONTENTS

<table>
<thead>
<tr>
<th>Chapter No.</th>
<th>Particulars</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>III</td>
<td>Branded Consumer Goods – Conceptual frame work</td>
<td></td>
</tr>
<tr>
<td>3.1</td>
<td>Consumer Durables</td>
<td>109</td>
</tr>
<tr>
<td>3.2</td>
<td>Industry Classification</td>
<td>109</td>
</tr>
<tr>
<td>3.3</td>
<td>The key growth drivers for the Indian consumer durables Industry</td>
<td>110</td>
</tr>
<tr>
<td>3.3.1</td>
<td>Industry Size, Growth, Trends</td>
<td>111</td>
</tr>
<tr>
<td>3.3.2</td>
<td>Major hurdles and challenges plaguing the Indian consumer durables sector</td>
<td>112</td>
</tr>
<tr>
<td>3.4</td>
<td>Classification of Consumer Durables Sector</td>
<td>118</td>
</tr>
<tr>
<td>3.5</td>
<td>Current Scenario</td>
<td>119</td>
</tr>
<tr>
<td>3.6</td>
<td>Future Scenario</td>
<td>119</td>
</tr>
<tr>
<td>3.7</td>
<td>Demand and Penetration level of White Goods in India</td>
<td>120</td>
</tr>
<tr>
<td>3.8</td>
<td>Career in consumer Durable Sector</td>
<td>120</td>
</tr>
<tr>
<td>3.9</td>
<td>Consumer Electronics</td>
<td>121</td>
</tr>
<tr>
<td>3.10</td>
<td>Television</td>
<td>121</td>
</tr>
<tr>
<td>3.10.1</td>
<td>Sony T.V</td>
<td>122</td>
</tr>
<tr>
<td>3.11</td>
<td>Refrigerator</td>
<td>122</td>
</tr>
<tr>
<td>3.11.1</td>
<td>Refrigerators Segments</td>
<td>124</td>
</tr>
<tr>
<td>3.11.2</td>
<td>Samsung Refrigerator (EPS)</td>
<td>124</td>
</tr>
<tr>
<td>3.11.3</td>
<td>Whirlpool Gold Refrigerator</td>
<td>124</td>
</tr>
<tr>
<td>3.11.4</td>
<td>Washing Machines</td>
<td>125</td>
</tr>
<tr>
<td>3.12</td>
<td>Domestic Electrical Appliances</td>
<td>126</td>
</tr>
<tr>
<td>3.13</td>
<td>Mixer/Grinder</td>
<td>126</td>
</tr>
<tr>
<td>3.13.1</td>
<td>Maharaja Mixer/Grinder</td>
<td>127</td>
</tr>
<tr>
<td>3.13.2</td>
<td>Preethi Magic</td>
<td>128</td>
</tr>
<tr>
<td>3.13.3</td>
<td>Sumeet Mixer/Grinder</td>
<td>130</td>
</tr>
<tr>
<td>3.14</td>
<td>CONSUMER NON-DURABLE GOODS (FMCG)</td>
<td>132</td>
</tr>
<tr>
<td>3.14.1</td>
<td>Industry classification</td>
<td>134</td>
</tr>
<tr>
<td>3.14.2</td>
<td>Following are the segment-wise product details along with the major players</td>
<td>134</td>
</tr>
<tr>
<td>3.14.3</td>
<td>FMCG in 2006</td>
<td>135</td>
</tr>
<tr>
<td>3.14.4</td>
<td>Scope of the Sector</td>
<td>135</td>
</tr>
<tr>
<td>3.14.5</td>
<td>Growth Prospects</td>
<td>136</td>
</tr>
<tr>
<td>3.14.6</td>
<td>Top 10 FMCG Companies</td>
<td>137</td>
</tr>
<tr>
<td>3.14.7</td>
<td>FMCG as a career</td>
<td>138</td>
</tr>
<tr>
<td>3.14.8</td>
<td>Qualifications Required</td>
<td>138</td>
</tr>
<tr>
<td>3.14.9</td>
<td>A high profile industry</td>
<td>139</td>
</tr>
<tr>
<td>3.14.10</td>
<td>Industry overview(US)</td>
<td>139</td>
</tr>
<tr>
<td>3.14.11</td>
<td>Indian Consumer Class</td>
<td>143</td>
</tr>
<tr>
<td>3.14.12</td>
<td>Recent developments in fast moving consumer goods (FMCG)</td>
<td>144</td>
</tr>
<tr>
<td>Section</td>
<td>Title</td>
<td>Page</td>
</tr>
<tr>
<td>---------</td>
<td>--------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>3.14.14</td>
<td>Trends in the growth of consumer goods</td>
<td>145</td>
</tr>
<tr>
<td>3.14.15</td>
<td>Economic Contribution</td>
<td>146</td>
</tr>
<tr>
<td>3.14.16</td>
<td>Toilet Soaps</td>
<td>147</td>
</tr>
<tr>
<td>3.14.17</td>
<td>Factors affecting buying behavior</td>
<td>148</td>
</tr>
<tr>
<td>3.14.18</td>
<td>Lux Soap</td>
<td>149</td>
</tr>
<tr>
<td>3.14.19</td>
<td>Mysore Sandal Soap</td>
<td>151</td>
</tr>
<tr>
<td>3.14.20</td>
<td>Hamam Soap</td>
<td>153</td>
</tr>
<tr>
<td>3.14.21</td>
<td>Detergents</td>
<td>154</td>
</tr>
<tr>
<td>3.14.22</td>
<td>Ariel and Surf Excel</td>
<td>155</td>
</tr>
<tr>
<td>3.14.23</td>
<td>Rin Detergent</td>
<td>156</td>
</tr>
<tr>
<td>3.14.24</td>
<td>Tooth Paste</td>
<td>157</td>
</tr>
<tr>
<td>2.14.25</td>
<td>Colgate</td>
<td>158</td>
</tr>
<tr>
<td>3.14.26</td>
<td>Colgate-Palmolive Company</td>
<td>160</td>
</tr>
<tr>
<td>2.14.27</td>
<td>Close – Up</td>
<td>162</td>
</tr>
<tr>
<td>3.14.28</td>
<td>Pepsodent Toothpaste</td>
<td>164</td>
</tr>
<tr>
<td>3.14.29</td>
<td>Shampoo</td>
<td>165</td>
</tr>
<tr>
<td>3.14.30</td>
<td>Brand of Shampoo</td>
<td>166</td>
</tr>
<tr>
<td>3.14.31</td>
<td>Head &amp; Shoulder Shampoo</td>
<td>168</td>
</tr>
<tr>
<td>3.14.32</td>
<td>Pantene shampoo</td>
<td>169</td>
</tr>
<tr>
<td>3.14.33</td>
<td>Cosmetics</td>
<td>171</td>
</tr>
<tr>
<td>3.14.34</td>
<td>Fairness Cream</td>
<td>171</td>
</tr>
<tr>
<td>3.14.35</td>
<td>Lipsticks</td>
<td>171</td>
</tr>
<tr>
<td>References</td>
<td></td>
<td>172</td>
</tr>
</tbody>
</table>
Chapter III

The present chapter studies the branded selected consumer durable and non-durable goods: Industry size, growth and trends of consumer durables and non-durable goods. The framework and the classification of consumer goods under study for production trend are also presented. Consumer products (Consumer durables and non-durables) have assumed enormous importance as a subject of analysis and research.

3.1 Consumer durables

The Indian consumer durables industry has witnessed a considerable change in the past couple of years. Changing lifestyle, higher disposable income coupled with greater affordability and a surge in advertising has been instrumental in bringing about a sea change in the consumer behavior pattern. This industry consists of durable goods used for domestic purposes such as televisions, washing machines, refrigerators, microwave ovens, mobile phones etc. The growth in the consumer durables sector has been driven primarily by factors such as the boom in the real estate & housing industry, higher disposable income, emergence of the retail industry in a big way coupled with rising affluence levels of a considerable section of the population.

As per a survey conducted by FICCI on the Indian consumer durables industry, a shift in consumer preferences towards higher-end, technologically advanced branded products has been quite discernable. This shift can be explained by narrowing differentials between the prices of branded and unbranded products added with the high quality of after sales service provided by the branded players. The shift has also been triggered by the availability of foreign branded products in India owing to lower import duties coupled with other liberal measures as introduced by the government.

3.2 Industry Classification

The consumer durables industry can be broadly classified as consumer electronics and consumer appliances. The consumer appliances category can be further segmented as white goods and brown goods.
Consumer Durables: Industry Size, Growth And Trends

The Consumer Durables industry consists of durable goods and appliances for domestic use such as televisions, refrigerators, air conditioners and washing machines. Instruments such as cell phones and kitchen appliances like microwave ovens are also included in this category. The sector has been witnessing significant growth in recent years, helped by several drivers such as the emerging retail boom, real estate and housing demand, greater disposable income and an overall increase in the level of affluence of a significant section of the population. The industry is represented by major international and local players such as BPL, Videocon, Voltas, Blue Star, MIRC Electronics, Titan, Whirlpool etc.

During FY07, volume share of the single largest consumer durable was colour TVs at 30%, followed by refrigerators and air conditioners at 18% and 13% respectively. Washing machines and other assorted consumer durables captured a share in the total volume by 5% and 34% respectively.

3.3 The key growth drivers for the Indian consumer durables Industry:

- **Rise in disposable income:** The demand for consumer electronics has been rising with the increase in disposable income coupled with more and more consumers falling under the double income families. The growing Indian middle class is an attraction for companies who are out there to woo them.

- **Availability of newer variants of a product:** Consumers are spoilt for choice when it comes to choosing products. Newer variants of a product will help a company in getting the attention of consumers who look for innovation in products.

- **Product pricing:** The consumer durables industry is highly price sensitive, making price the determining factor in increasing volumes, at least for lower range consumers. For middle and upper range consumers, it is the brand name, technology and product features that are important.

- **Availability of financing schemes:** Availability of credit and the structure of the loan determine the affordability of the product. Sale of a particular product is determined by the cost of credit as much as the flexibility of the scheme.

- **Rise in the share of organized retail:** Rise in organized retail will set the growth pace of the Indian consumer durables industry. According to a working
paper released by the Indian Council for Research on International Economic Relations (ICRIER), organised retail which constituted a mere four percent of the retail sector in FY07 is likely to grow at 45-50% per annum and quadruple its share in the total retail price 16% by 2011-2012. The share will grow with bigger players entering the market.

- **Innovative advertising and brand promotion:** Sales promotion measures such as discounts, free gifts and exchange offers help a company in distinguishing itself from others.

- **Festive season sales:** Demand for colour TVs usually pick up during the festive seasons. As a result most companies come out with offers during this period to cash in on the festive mood. This period will continue to be the growth driver for consumer durable companies. The consumer durables industry can be broadly classified into two segments: Consumer Electronics and Consumer Appliances. Consumer Appliances can be further categorised into Brown Goods and White Goods. The key product lines under each segment are as follows.

### 3.3.1 Industry Size, Growth, Trends

The consumer durables market in India was estimated to be around US$ 4.5 billion in 2006-07. More than 7 million units of consumer durable appliances have been sold in the year 2006-07 with colour televisions (CTV) forming the bulk of the sales with 30 per cent share of volumes. CTV refrigerators and air-conditioners together constitute more than 60 per cent of the sales in terms of the number of units sold.

<table>
<thead>
<tr>
<th>Key consumer durables share by volume</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Colour Television (CTVs)</td>
<td>30%</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>18%</td>
</tr>
<tr>
<td>Air conditioners</td>
<td>13%</td>
</tr>
<tr>
<td>Washing Machines</td>
<td>5%</td>
</tr>
<tr>
<td>Others</td>
<td>34%</td>
</tr>
</tbody>
</table>

(Source: Center for Monitoring Indian Economy (CMIE))

In the refrigerators market, the frost-free category has grown by 8.3 per cent while direct cool segment has grown by 9 per cent. Companies like LG, Whirlpool and Samsung have registered double-digit growth in the direct cool refrigerator market. In
the case of washing machines, the semi-automatic category with a higher base and fully-automatic categories have grown by 4 per cent to 526,000 units and by 8 per cent to 229,000 units, respectively. In the air-conditioners segment, the sales of window ACs have grown by 32 per cent and that of split ACs by 97 per cent. Since, the penetration in the urban areas for these products is already quite high, the markets for both CTVs and refrigerators are shifting to the semi-urban and rural areas. The growth across product categories in different segments is assessed in the following sections.

Figure No.3.1

![Major Consumer Durables: Volume share](image)

(Source: Center for Monitoring Indian Economy(CMIE))

3.3.2 Major hurdles and challenges plaguing the Indian consumer durables sector:

- **Threat from new entrants, especially global companies**: The domestic consumer durables sector faces threat from newer companies, especially from global ones who have technologically advanced products to offer.

- **Rivalry and competition**: Presence of a large number of players in the domestic consumer durables industry leads to competition and rivalry among companies. Threat from rivalry and competition poses a threat to domestic companies.

- **Potential markets remaining yet untapped**: A large segment of the domestic market, mostly the rural market is yet to be tapped. Tapping this yet untapped and unorganized market is a major challenge for the Indian consumer durables sector.

- **Threat from substitute products/services**: The domestic consumer durables industry is plagued by threats from substitute products. Easy accessibility to theatres/multiplexes, especially in urban areas has turned off the viewership from TV to a large extent. With the advent of a horde of FM radio stations, radio sets have now substituted TVs.
• Customer power with respect to availability of choice: The availability of a wide product line on account of most products being homogeneous, poses a threat for companies operating in the consumer durables sector. Customers have the choice of both domestically produced and imported goods, with similar features.

Consumer durables involve any type of products purchased by consumers that are manufactured for long-term use. As opposed to many goods that are intended for consumption in the short term, consumer durables are intended to endure regular usage for several years or longer before replacement of the consumer products are required. Just about every household will contain at least a few items that may be properly considered to be of a consumer durable nature.

One of the most common of all consumer durables would be the furniture found in the home. This would include items such as sofas, chairs, tables, bed frames, and storage pieces such as chests of drawers and bookshelf units. While once thought to be limited to only items made of sturdy metal or wood, any type of furniture today that is intended for use over the period of at least a few years can rightly be classified as consumer durables. Another common example of customer durables in the possession of most households is appliances. These items may include ovens, refrigerators, toasters and gas or electric water heaters.

Consumer durables of this type are intended for use on a continuing basis and often are sold with some type of warranty or service contract that helps to ensure the appliance will continue working for an appreciable period of time. The family car is also understood to be among the various consumer durables owned by many households. Considered a major investment by many consumers, the expectation is that the vehicle will remain operational for at least the amount of time it takes for the consumer to pay off any loans associated with the acquisition. Further, consumers anticipate that the vehicle can be utilized on a regular basis without fear of being destroyed by the frequent usage.

Consumer durables sector is characterized by the emergence of MNCs, exchange offers, discounts and intense competition. The market share of MNCs in consumer durables sector is 65%. MNC's major target is the growing middle class of India. MNCs offer superior technology to the consumers, whereas the Indian companies
compete on the basis of firm grasp of the local market, their well-acknowledged brands and hold over wide distribution network. However, the penetration level of the consumer durables is still low in India. An important factor behind low penetration is poor government spending on infrastructure. For example, the government spending is very less on electrification programs in rural areas. This factor discourages the consumer durables companies to market their products in rural areas.

Some Facts

• Bargaining power of suppliers in consumer durables sector is limited due to threat of imports and intense competition.
• Some of the entry barriers in consumer durables sector are distribution network, Capital and ability to hire purchases.
• Demand is seasonal and cyclical.
• Competition among players is on the basis of difference in prices and well-acknowledged brands

Consumer durables are the products whose life expectancy is at least 3 years. These products are hard goods that cannot be used up at once. The consumer durables sector can be segmented into consumer electronics, such as, VCD/DVD, home theatre, music players, color televisions (CTVs) etc. and white goods, such as, dish washers, air conditioners, water heaters, washing machines, refrigerators etc.

There has been strong competition between the major MNCs like Samsung, LG, and Sony. LG Electronics India Ltd. has announced its extension plan in 2006. The company is going to invest $250 million in India by 2011 and is planning to establish a manufacturing facility in Pune. TCL Corporation is also planning to establish a $22 million manufacturing facility in India. The Indian companies like Videocon Industries and Onida are also planning to expand. Videocon has acquired Electrolux brand in India. Also, with the acquisition of Thomson Displays by Videocon in Poland, China and Mexico, the company is marking its international presence.

According to Suppli Corporation (Applied Market Intelligence), country’s fiscal policy has encouraged Indian consumer electronic industry. The reduction on import duty in the year 2005-06 has benefited many companies, such as Samsung, LG and Sony. These companies import their premium end products from manufacturing facilities that are located outside India. Indian consumers are now replacing their
existing appliances with frost-free refrigerators, split air conditioners, fully automatic washing machines and color televisions (CTVs), which are boosting the sales in these categories. Some companies like Samsung Electronics Co. Ltd. and LG Electronics India Ltd. are now focusing on rural areas also. These companies are introducing gift schemes and providing easy finance to capture the consumer base in rural areas.

**Table No.2**

**Growth in 2005-06**

<table>
<thead>
<tr>
<th>Consumer Durables</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Conditioner</td>
<td>20-25%</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>5-10%</td>
</tr>
<tr>
<td>Microwave Ovens</td>
<td>25%</td>
</tr>
<tr>
<td>Washing Machines</td>
<td>5-10%</td>
</tr>
<tr>
<td>Color Televisions (CTVs)</td>
<td>15-20%</td>
</tr>
<tr>
<td>Black &amp; White Televisions</td>
<td>-20%</td>
</tr>
<tr>
<td>Clock</td>
<td>10%</td>
</tr>
<tr>
<td>Watch</td>
<td>10%</td>
</tr>
<tr>
<td>VCDs</td>
<td>30%</td>
</tr>
<tr>
<td>Consumer Electronics (Overall)</td>
<td>9%</td>
</tr>
</tbody>
</table>

(Source: Center for Monitoring Indian Economy (CMIE))

The consumer durable goods sector has shown a quantum leap in growth, owing to strong fundamentals of the economy and emerging opportunities, in terms of technological improvements, falling prices due to competition, aggressive and innovative marketing and declining import tariffs. This was found out in a comprehensive survey on the sector that was conducted by the Federation of Indian Chambers of Commerce and Industry (FICCI).

According to the survey, the consumer durable goods sector is worth around Rs 35,000 crore in 2006-07 with 11.5 per cent growth, against 8.5 per cent growth the previous year. The sector is also expected to achieve about 12 per cent overall growth in the year 2007-08. It is projected to achieve excellent growth rates of more than 20 per cent in terms of quantity produced in high-end TV's, MP3's, DVD's, split AC's, high-end washing machines, micro wave ovens etc.
With rising GDP growth and purchasing power of people, there has been a discernible shift in the consumers' preference in favour of high-end, technologically superior branded products and new models, despite recent price hikes made by companies to offset rising costs across all segments. At the same time, attractive schemes by financial institutions, commercial banks and from companies themselves through their extensive dealer network are attracting consumers. Besides, companies are also exploring new media to outreach markets for consumer durable products, leading to intelligent sale of products.

The industry is also developing innovative products like technological upgradation and pricing, which are currently the key drivers in a competitive market. For instance, post Videocon's acquisition of Electrolux, the company is working towards increasing its presence across India, while Godrej & Boyce is planning to double its frost-free refrigerator manufacturing capacity by augmenting its plant in Shirwal near Pune, with an investment of around Rs 100 crore. Also, LG, Voltas and Whirlpool are going aggressively on mass volumes segment, while Sanyo-BPL is also set to launch home and industrial AC's to take advantage of the retail boom in the country. The industry is expecting more growth to take place in class B and C towns, rather than in metros.

Many companies are also reworking strategies and setting up new retail units to ensure brand visibility and promote growth. The possibility of FDI in retail has also led existing retailers to enter in this segment. The FICCI survey also highlights some of the basic issues and difficulties that are being faced by the industry and highlights the need for taking some pro-active actions and measures that should be taken by the government to enable the industry to have sustained growth.

Some of the core issues that need to be tackled are the increase in input costs due to rising prices of copper, steel, aluminum, plastic etc.; high excise duty of eight per cent; high level of sales tax, of 12-20 per cent; fluctuation and appreciation of the rupee; inadequate availability of finance; and poor and inadequate infrastructure, in terms of power and transport in major parts of the country. Consumer durables are no longer luxury items

In 2008, the consumer durables industry posted tremendous growth in 2009, which more than compensated for the fallen year. Now, Indian consumers are eager to
replace their existing refrigerators with frost-free models, window air conditioner with split ACs, semi automatic washing machines with fully automatic ones and colour televisions with premium LCDs and LED TVs, which are boosting sales of players like Samsung, LG, Panasonic, Sony, Videocon and others. The competition between consumer durable giants is building up as market leader LG, Sony and Samsung ramp up production capabilities and investments for India. The market share of MNCs in the domestic consumer durables sector is 65% as they primarily target the lucrative middle class segment.

On the other hand, Indian firms such as Videocon and Onida are aggressively competing with MNCs on the basis of their local market knowledge and wider distribution network. LG will be investing Rs 600 crore in marketing and new product development to ramp up sales and maintain its market leadership position. It is targeting 35% growth in its Indian operations in 2010, focusing on products such as ACs and TVs. The company has a 29% share in the AC market and expects to end the year with a 32% share.

With the increase in income levels, easy availability of finance, increase in consumer awareness and introduction of new models, the demand for consumer durables has increased significantly. Products like washing machines, air conditioners, microwave ovens, color televisions (CTVs) are no longer considered luxury items. The government's liberal fiscal policy has also encouraged the consumer electronic industry to expand production with the help of localization.

The reduction in import duty few years back has benefited these companies as they import their premium end products from manufacturing facilities outside India. According to industry sources, in 2010, air-conditioners are expected to grow 25%, split air-conditioners 60%, frost-free refrigerators 54%, washing machines 20%, fully automatic washing machines 35%, microwave ovens 35%, high-end flat panel TV 100%, LCD TVs 110% and the plasma TV are likely to register a 100% growth.

But, the penetration level of all consumer electronics and durables categories is still very low as government spending on infrastructure has not kept up the pace with the demand. Players believe pricing will play an important role in increasing the penetration level. And, pricing is dependent on raw material costs and excise duties. Companies are demanding quick implementation of GST (goods and service tax),
which can bring about a considerable reduction in the prices of products. “While we expect this Budget to address macro issues which would impact demand generation, industry also needs administrative and tax reforms in various areas like for movement of goods and double taxation. Hope that in 2010 the government keeps intact sops announced last year to cushion the impact of the global economic downturn,” said Eric Braganza, president, Haier Appliances India.

The industry expects the government to deepen its focus on the rural economy with greater fiscal incentives and rural employment, as the rural demand will get a boost. Manufacturers are hoping for policies that result in higher disposable incomes in the hands of customers so that they loosen up their purse strings and it results in higher sales for them. The Indian consumer durables industry has witnessed a considerable change in the past couple of years. Changing lifestyle, higher disposable income coupled with greater affordability and a surge in advertising has been instrumental in bringing about a sea change in the consumer behavior pattern.

This industry consists of durable goods used for domestic purposes such as televisions, washing machines, refrigerators, microwave ovens, mobile phones etc. The growth in the consumer durables sector has been driven primarily by factors such as the boom in the real estate & housing industry, higher disposable income, emergence of the retail industry in a big way coupled with rising affluence levels of a considerable section of the population. As per a survey conducted by FICCI on the Indian consumer durables industry, a shift in consumer preferences towards higher-end, technologically advanced branded products has been quite discernable. This shift can be explained by narrowing differentials between the prices of branded and unbranded products added with the high quality of after sales service provided by the branded players. The shift has also been triggered by the availability of foreign branded products in India owing to lower import duties coupled with other liberal measures as introduced by the government.

3.4 Classification of Consumer Durables Sector

- **Consumer Electronics** includes VCD/DVD, home theatre, music players; color Televisions (CTVs), cameras, camcorders, portable audio, Hi-Fi etc.
- **White Goods** include dishwashers, air conditioners, water heaters, washing machines, refrigerators, vacuum cleaners, kitchen appliances, non-kitchen
appliances, microwaves, built-in appliances, tumble dryer, personal care products etc.

- Moulded Luggage includes plastics.
- Clocks and Watches
- Mobile Phones

3.5 Current Scenario

The consumer durables market in India is valued at US $ 4.5 billions currently. In 2006, microwave ovens and air conditioners registered a growth of about 25%. Frost-free refrigerators have registered significant growth as many urban families are replacing their old refrigerators. Refrigerator sales amounted to 4.2 millions in 2006, whereas the production of the refrigerators went up by 17% as compared to the preceding year. Washing machines, which have always seen poor growth, have seen reasonable growth in 2006. More and more Indians are now buying electrical appliances due to change in electricity scenario. The penetration level of color televisions (CTVs) is expected to increase 3 times by 2007. According to National Council for Applied Economic Research (NCAER), Indian consumer class is growing at a fast rate. This in turn is benefiting the consumer durables manufacturers

3.6 Future Scenario

With easy availability of finance, emergence of double-income families, fall in prices due to increased competition, government support, growth of media, availability of disposable incomes, improvements in technology, reduction in customs duty, rise in temperatures, growth in consumer base of rural sector, the consumer durables industry is growing at a fast pace. Given these factors, a good growth is projected in the future, too. The penetration level of consumer durables is very low in India, as compared with other countries. This translates into vast unrealized potential for example, in case of color televisions (CTVs), the penetration level of various countries is:

<table>
<thead>
<tr>
<th>Country</th>
<th>Penetration Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>24%</td>
</tr>
<tr>
<td>Brazil</td>
<td>11%</td>
</tr>
<tr>
<td>China</td>
<td>98%</td>
</tr>
<tr>
<td>US</td>
<td>333%</td>
</tr>
<tr>
<td>France</td>
<td>235%</td>
</tr>
<tr>
<td>Japan</td>
<td>250%</td>
</tr>
</tbody>
</table>

(Source: Center for Monitoring Indian Economy (CMIE))

119
3.7 Demand and Penetration level of White Goods in India

Table No.3.4

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Demand</td>
<td>3.43 million</td>
<td>8.72 million</td>
<td>13.14 million</td>
</tr>
<tr>
<td>Penetration level</td>
<td>149 per 1,000 households</td>
<td>319 per 1,000 households</td>
<td>451 per 1,000 households</td>
</tr>
</tbody>
</table>

In a study conducted by Frost & Sullivan and commissioned by India Semiconductor Association (ISA), the demand for Electronic Appliances is projected to grow exponentially at a Compounded Annual Growth Rate (CAGR) of 30%. Figure No.2

3.8 Career in Consumer Durables Sector

The consumer durables sector is characterized by high competition- especially from international brands- because of which most organizations are innovating product marketing strategies through organizational change and process re-engineering. This has resulted in increased demand for skills at various levels. As the need for innovative products rises, the need for talented candidates also rises. The sector requires people who are technically competent and get along well with the company’s specific requirements.

Before the liberalization of the Indian economy, only a few companies like Kelvinator, Godrej, Allwyn and Voltas were the major players in the consumer durables market, accounting for no less than 90% of the market. Then, after the liberalization,
foreign players like LG, Sony, Samsung, Whirlpool, Daewoo, Aiwa came into the picture. Today, these players control the major share of the consumer durables market.

Consumer durables market is expected to grow at 10-15% in 2007-2008. It is growing very fast because of rise in living standards, easy access to consumer finance and wide range of choice, as many foreign players are entering in the market. On the flip side, the presence of a large number of players in the consumer durables market sometimes results in excess supply.

3.9 Consumer Electronics

The CTV production was 15.10 million units in 2006-07 and is expected to grow by at least 25 per cent. At the disaggregated level, conventional CTV volumes have been falling while flat TVs have grown strongly. Market sources indicate that most CTV majors have phased out conventional TVs and have been instead focusing more on flat TVs. The flat segment of CTVs now account for over 60 per cent of the total domestic TV production and is likely to be around 65 per cent in 2007-08.

High-end products such as liquid crystal display (LCD) and plasma display CTV grew by 400 per cent and 150 per cent respectively in 2006–07 following a sharp decline in prices of these products rates in the domestic market as prices have dropped. This trend is expected to continue through 2007-08, as competition is likely to intensify to scale and capture the mass market.

3.10 Television

In 2008, LG held 23% of the market share, behind Samsung’s 37% and was closely followed by Sony with 21 to 22%. Las Vegas: LG Electronics India, the second largest LCD television player in the country after Samsung, is looking at becoming the largest player in the LCD TV segment by Diwali this year. “We have taken up the challenge to become India’s number one player by Diwali. Timely introduction of the new products and features will help,” LG’s consumer electronics India business head Amitabh Tiwari told PTI. LG has taken up a big task. In 2008, LG held 23% of the market share, far behind Samsung’s 37% and was closely followed by Sony with 21 to 22% control over the segment, he said. Buoyed by three major launches of full HDTVs last summer, Scarlet in May, LG 53 in June and Jazz in August, the company has planned to keep the launches rolling for Indian customers. Full HDTV is a TV display technology that surpasses the video quality and sharpness of the original high-definition.
television technology, providing an image resolution of 1920 by 1080 pixels. The South-Korean company unveiled its latest products and technologies at the 2009 International Consumer Electronics Show (CES) in Las Vegas during 8 to 11 January.

"By March-April, we plan to launch different models with features like Bluetooth, energy saving and 240 Hz," he said. "I got tremendous confidence seeing the stalls, products and features that LG is introducing," Tiwari added. In Vegas, the company announced a step forward in LCD HDTV picture quality with a series of technological advancements in LED Backlighting designed to enable a more robust picture without sacrificing performance.

3.10.1 Sony TV

The company expected 3D televisions to make up between 30% and 50% of all TV-sets the company planned to sell in the financial year that begins in April 2012. The claim seems to be too optimistic for a technology that has not even started to emerge on the market as of late 2009. In order to enable stereoscopic 3D experience using shutter glasses-based technology, Sony will need to equip its HDTVs with panels that have refresh rate of 120Hz or higher. Some high-end models already feature 120Hz or even 200Hz panels, however, they are rather scarce. In case Sony simply calls such TVs as 3D-enabled, then the share of such TVs may well reach 30% - 50% by 2013. In fact, Mr. Yoshioka claims that Sony considers selling shutter glasses separately in order to keep the costs of its HDTVs down. As a result, it is not clear what will be the difference between next-generation 3D and non-3D televisions; most likely, there will be no difference. For Sony, it is tremendously important to increase its market share and improve profitability of its TV business. In fact, for several years Sony’s TV unit has been unprofitable. Consumer electronic goods major Sony India is targeting a 30 percent market share in the liquid crystal display (LCD) television segment in 2010-11 from the present 25 percent. The Sony TV Market Share in India is 25%, Sales of Sony Tv for the year 2000-2009

3.11 Refrigerator

The last few years have seen stiff competition for leadership in the Indian refrigerator market, especially among Whirlpool, Electrolux Kelvinator Ltd (EKL), Godrej, LG and Samsung. After experiencing marginal growth for some years now, the segment is looking at a double-digit growth this year. "The segment saw a growth of 7-
8 per cent in 2003 and this year the industry is hopeful of clocking a growth of 12-15 per cent," a Consumer Electronics and TV Manufacturers Association (CETMA) official said. The market size, as per CETMA, is estimated at 4.1 million units in 2004.

Compared to the installed manufacturing capacity of the players at approximately seven million units per annum, the refrigerator market in India is still small. This has led to too many major manufacturers operating at lower capacity, resulting in significantly higher overheads, according to ICRA’s Sector Analysis, April 2004. The total industry size during 2003 was 3.4 million units, consisting of 2.8 million Direct Cool (DC) units and 0.6 million Frost-Free (FF) units, as per ICRA. The past three years has seen a partial demand shift towards frost-free units. "Though the FF category has seen a growth, almost 80 per cent of the sales in India is from the DC category," a CETMA official told Business Line.

In the FF segment, the major players are Whirlpool, LG, Godrej, BPL and Samsung. A look at the overall market share of the major players by ICRA reveals that Godrej lost its leadership position in 1998-99 to Whirlpool. Meanwhile, Whirlpool's market share has declined from 27.3 per cent in 2000 calendar year to 26.7 per cent in the 2003-04.

After Whirlpool and Godrej, the brands owned by EKL occupy the third position. However, EKL's share has also seen a dip from 23.6 per cent in 1999 calendar year to 16.3 per cent in 2003-04.

In the past few years, the refrigerators market has seen the influx of Korean companies, who have managed to capture a sizeable portion of the market from established players using innovative product lines and aggressive promotion campaigns. Among the Korean players, while the market share of LG increased to 14.5 per cent in 2003-04 (from 5.4 per cent in the 1999 calendar year), the share of Samsung increased to 5.9 per cent (from 3.3 per cent) over the same period. LG and Samsung have increased their market share at the cost of older players like BPL and Videocon in the DC category. The market leader in FF segment, BPL and one of the older players in the category, Godrej, has witnessed a decline in share in the last three years. LG is now the leader in the FF segment, having displaced Whirlpool in 2003-04. Its market share increased to 31.7 per cent from 20 per cent the previous fiscal. Whirlpool is the second largest player with a share of 25.7 per cent during 2003-04.
According to CMIE statistics, domestic consumption of refrigerators witnessed decline between 2006 and 2009, while exports grew. From 3% of the total consumption in 2006, exports grew to 7% of the total consumption in FY09. On the supply side, domestic production of refrigerators in the total supply remained at the same levels in the past three years ended 2009. At 99% each in 2007-09, the share of production reported a mere 100 basis point increase over 2008, as imports slid. The refrigerator industry posted a sluggish performance since, the beginning of 2009 on the back of volatile steel prices. The first quarter saw a production growth of a mere 50 basis points to 2.18 mn units, as per CMIE.

3.11.1 Refrigerators Segments

Refrigerators are one of the most sought after appliances in Indian middle class homes. The refrigerator market has two segments: Direct Cool and the relatively new Frost-Free type. The market for refrigerators in 2006-07 was about 6.5 million units. The growth of refrigerator segment is projected to be between 18 to 22 per cent over the next 5 years. Critical success factor for the refrigerator market, given its widespread use, is deeper reach into the market and increased penetration. Recently, the market is getting reinforced by the replacement segment as well.

3.11.2 Samsung Refrigerator (EPS)

Table No3.5

<table>
<thead>
<tr>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>19,244</td>
<td>34938</td>
<td>18102</td>
<td>42011</td>
<td>36376</td>
<td>67916</td>
<td>49969</td>
<td>52880</td>
<td>49502</td>
<td>37684</td>
</tr>
</tbody>
</table>

Market share – February, 2010 9.9%

Sales (Refrigerator: Demand and Supply Side Dynamics)

Table No. 3.6

<table>
<thead>
<tr>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>32,088</td>
<td>43,528</td>
<td>46,444</td>
<td>59,569</td>
<td>64,817</td>
<td>81,963</td>
<td>80,630</td>
<td>85,426</td>
<td>98,508</td>
<td>121,294</td>
</tr>
</tbody>
</table>

(Source: Center for Monitoring Indian Economy (CMIE))

3.11.3 Whirlpool Gold Refrigerator

The Whirlpool Gold Refrigerator models have a number of great features and come in a wide variety of price ranges. To help you narrow down what can seem like an
infinite number of possibilities, we've chosen the top four models that excel in the following categories:

- Capacity
- Efficiency
- Cleaning Ease
- Style
- Overall Value

**The Special Features of Whirlpool Gold**

The Whirlpool Gold Refrigerators offer a number of great features in its line of top freezer refrigerator, French door and side by side refrigerators such as:

1. **Expanded Capacity**: The average capacity of the Whirlpool Gold Refrigerator line a bit larger than many of the standard Whirlpool refrigerator models. Remember, to consider approximately 10 cubic feet of food storage space per two people in the house.

2. **Reversible Door Swing**: The unfortunate truth is that many kitchens aren't compatible with all refrigerators. But, with a reversible door swing, you can reverse the direction of the door. Got a counter or cabinet in the way? No problem, switch sides!

**3.11.4 Washing Machines**

The sale of washing machines has grown from about 780,000 units to 1,948,000 units during the period, fiscal year 1999 to 2007, registering a near 12.2 per cent annual growth rate. The washing machine market may be segmented into semi-automatic and fully automatic machines. Semi-automatic washing machines enjoy a dominant share of 85 per cent. Fully automatic washing machines have been gaining share as a consequence of product improvement, competitive pricing and resultant convenience. However, semi-automatic machines will continue to play a major role in the Indian market for quite sometime. Fully automatic washing machines have been the growing at 44.5 per cent and semi-automatic segment, at about 18 per cent. The entry of MNCs has widened the range to more than 10 brands with a proliferation of models, while ensuring technology upgradation. A visible impact of this churn has been the exit of a few established players from the market.
3.12 Domestic Electrical Appliances

Brown goods or domestic kitchen appliances are indicators of the changing consumer scenario in post-liberalizations Economic environment. The major products constituting the brown goods market are mixers, grinders, irons, microwave-ovens, rice cookers, water heaters or geysers, electric fans and exhausts. The branded brown goods market has expanded at a significant pace and is expected to retain the momentum into the future as well.

The market has been transformed by the entry of over a dozen new brands, moreover competition has intensified. While focus on price competency remains a key priority, players have also started focusing on other product features such as safety and total cost of ownership of the device. Goods, like the rice cooker have been continuously growing in a slow and steady manner over a significant period of time, while microwave ovens have grown exponentially after the initial period of customization to local requirements. The electrical iron market can be divided into two segments: heavy and light-weight. The market is also segmented into two sub-segments: steam and non-steam irons. India being a tropical country, electric fans are an essential utility for more than six months of the year in most parts of the country. The present market size is estimated at around 11.6 million pieces. The market is divided among ceiling, pedestal, wall and table fans. Industrial and exhaust fans are another important segment. The major players include Orient Fan, Crompton Greaves, Jay Engineering, Bajaj Electricals, Polar, Khaitan and Alsthom.

The electrical appliances industry, which had been focused on the urban market, is now reaching out to semi-urban and rural markets as well, because of the shift in living style of the population, increasing electrification of villages and relatively higher purchasing power of consumers. As the market penetrates into the core middle class segment in both urban and rural areas, it is expected to expand phenomenally, offering large volumes to the industry.

3.13 Mixer/Grinder

In today's world, Mixer grinder forms an indispensable part of the common man's day to day living. With respect to the Mixer Grinder industry, Sumeet is taken as the pioneer brand. Which is followed by many other brands? In the present market,
there are about 20 to 25 major brands available in different varieties and models with different prices to suit the needs of all segments of people. Now and then, these companies are going for a change due to technological advancement and price control. In the present mixer and grinder market, there are countless low priced brands, for whom lower income segment customers are taken as target groups. These brands are not popular because these are known for their low quality of the product.

This industry has also undergone a drastic technological change, because of the emergence of food processors, which can be taken as multitask mixer grinder. But, now, their impact seems to be lower since it is high prices one. So, an extensive study has been undertaken by the researcher to study the mixer grinder market in Chennai city. The markets for consumer durable goods in India have become really competitive in recent years. In the already congested Indian market, the penetration of the Multinational Companies has created this situation. In this scenario, only the brand which offers the best product can survive.

In consumer durables, mixer grinder was one of the earliest products to breach the protective walls of the Indian home. Ever since its introduction in the mid 1970's the demand for mixer grinder has been growing. The mixer grinder has now become more of a necessity than a luxury. In today's world in which the housewives have no time to struggle with the daily chores in the kitchen, the mixer grinder has proved to be a boon. Like in the case of other consumer durables, the mixer grinder market is also very crowded. There are many Indian Companies concentrating only on this segment of consumer durable.

But now in the last couple of years a number of multinational companies have entered this market. Their entries have really benefited the consumers to a great extent, as it has forced the Indian brands to upgrade their products. Also now, the consumers have a variety of brands to choose from. Above all, the ordinary consumer is now that the product owns would be the best.

3.13.1 Maharaja Mixer / Grinder

Maharaja Whiteline, a leading home appliances player, has announced its entry into the gas appliances segment in the southern market with the launch of gas cook tops and cooking range. The gas hoods, priced between Rs. 1,500 and Rs. 7,500 were available in three ranges to cater to the lower, middle and upper segments. The
company was in talks with oil marketing companies to sell its products through their dealer network. It was looking to sell more than 40,000 gas stoves in the southern market.

**New Mixer-Grinder**

The company also launched multi-functional mixer-grinder. He said unlike conventional mixer-grinder, the new grinder with additional chopper attachment could perform up to eight functions with ease. Maharaja was planning to launch air-coolers, water heaters, fans and kitchen hoods in the south towards the end of the year. An additional investment of Rs. 50 crore was made at its existing manufacturing facility at Baddi in Himachal Pradesh for product portfolio expansion and foraying into new categories. Maharaja Whiteline was enjoying a market share of about 22 per cent in home appliances, he said. The group’s turnover was Rs. 350 crore in 2008-09. It was targeting to reach Rs. 500 crore in 2009-10 with the launch of new products, he said.

**3.13.2 Preethi Magic**

Preethi, a leading name in household appliances from Maya Appliances Pvt Ltd. announced its latest offering Preethi Magic in Chennai today. The largest selling mixer grinder brand with sales of approximately 1.3 million pieces current year, Preethi's latest launch marks a new innovation for the Mixer Grinder category. The fully loaded Preethi Magic incorporates a new Chip n Salad Maker with a 750W Motor, Super Extractor and Flexilids for convenience. The Chip n Salad Maker now offers complete convenience in chopping, grating and slicing vegetables for curries, salads and chips.

Research studies indicate Preethi enjoys a dominant market share of over 45% of the mixer grinder market in the South and nearly 25% of the All India market, which includes even the unorganized and unbranded players. With over 9 million customers across the globe, Preethi's market is serviced through a network of over 7000 dealer establishments backed by nearly 700 Authorized Service Centers and over 70 Company owned branches. "Preethi's new Magic is yet, another indication of our constant attempts to innovate and enhance value to our consumers. We constantly seek feedback from the market and our substantive investments in research and development; build the foundation for superior offerings across our range of home appliances."
Preethi's assurance of quality and innovation has included amongst its many firsts, the use of a strong and silent 750W motor, patented Super Extractor for hassle-free juicing and the innovative Grind and Store and Flexilid attachments. The company relies on its core values of consumer trust, ethics in business practices and quality in products and services. Preethi has been enhancing its presence in the home appliances market with other products like Table-top Wet Grinders, Coffee Makers, Auto Cookers/Warmers, Induction Cook tops, Steam Irons and Electric Kettles.

Preethi Mixer /Grinder

Preethi is largest selling mixer-grinder brand in India. Unlike the present, when venture capitalists and PE funds knock on the doors of investors and bright-ideating entrepreneurs, the times were tough and challenging in the pre-liberalization era. Belonging to the well-known TTK group may have been an advantage, but it was an insurance policy that triggered the entrepreneurial venture of a TTK scion. TTK Industries (owners of popular brand ‘Prestige’) floated Maya Appliances — makers of well-known mixie brand Preethi — with a seed capital of Rs 30,000 in 1978. Around 90% of the nearly Rs 300-crore Maya Appliances' turnover comes from the juicer-mixer-grinder segment, a Rs 1,000-crore market, in which Preethi claims to have a 25% share (30% in value terms). With an annual sales volume of 1.3 million units, the kitchen appliance manufacturer is the largest selling mixer-grinder brand in the country.

Maya Appliances began its journey as Preett out of a 300-sq ft shed in Armenian Street (Chennai’s old economy commercial hub so to say) in 1978, with a 5-member team and a start-up capital raised by the promoter by pledging self and wife’s policies. For the next five years, the company’s products were marketed by TTK Industries, using the nationally-known brand ‘Prestige’ for exports and brand Preethi for the domestic market.

Following the bifurcation of business, the brand rights were sold to Varadarajan for "Re 1." It was only in 1984 that the company started marketing its products under the Preethi brand name. From an annual turnover of Rs 15,000 in 1980-83, when its first retail price stood at Rs 750, the entity saw its turnover swell to Rs 7.5 lakh post-rechristening in 1984. "This table is exactly where our first assembly line functioned," pointing to the conference table, where he sat in a tete-a-tete with ET, tracing his entrepreneurial journey. Interestingly enough, the Preethi honcho seems more at ease
discussing his passion for superbikes — wall-to-wall posters of which dot his office room — and insists we talk about his soon-to-be-launched California Superbike School venture before the talk veers once again to the mixer business.

During 1986-87, another shed in the backyard of the Varadarajans’ premises was converted into a manufacturing unit. In the initial years of its operations, three of its facilities in different locations generated Rs 3 crore revenues each. The five-member family too became big. Today, it has 1,200-plus people on its rolls and it provides indirect employment to 3,000 people, proclaims Maya Appliances CEO, Mr. V Durairajan, who has seen it all. By the late eighties, Preethi had made enough strides to displace well-established players in the south, especially Sumeet.

Till 1996, the company hardly resorted to any marketing. By this time, it had also added coffee makers to its range of mixer-grinders. "Our products are sold purely through word-of-mouth publicity and because of our focus on quality and innovation," says the company founder, dwelling on the introduction of two jar concept — one for dry grinding and one for wet — for the first time in the early nineties. A concept which was later adapted by Maharaja Whiteline, another dominant north-Indian player, to promote three-jar mixies. In the national market, the south is the single biggest region, accounting for 28 lakh units, of which Preethi sells 13 lakh units annually. "Though it is a fragmented market, there is still scope to create a lot of value. We were the first to introduce 750-watt super extractor. By 2012, the company hopes to reach full capacity as part of its efforts to breach the Rs 500-crore revenue mark.

3.13.3 Sumeet Mixer / Grinder

THE Rs 100-crore Sumeet group, well known for its eponymous brand of mixies, is rolling up its sleeves for a major foray into the home appliances market. This time "it's going to be in a massive way". The company is planning to launch a host of new home appliances in the next few months. In the pipeline are pressure cookers, multi-purpose kitchen machines, toasters, microwave ovens, washing machines, juicers and steam irons.

"All these products have been tested for over two years under all possible conditions and are now ready for a formal launch," says Mr Mathur. "We are actually planning a high-profile global launch anytime during the first quarter of the ensuing fiscal." Sumeet, which commands close to a 24 per cent market share of the Rs 400-
crore mixer-grinder segment, hopes to hit a Rs 1,000-crore turnover target in the next five years. "Once the products are out, we can easily post a sales turnover of Rs 350 crore within the next couple of years,". Sumeet Research & Holdings Ltd. "We hope that our exports will chip in at least 25 per cent of that." At present Sumeet's exports account for only 8 per cent. "Our products are now available in North America, West Asia, and East-Asian countries."

According to him, the expansion project is to be funded through internal accruals, private equity placements and debt. For the forthcoming global launch, the company has entered into a marketing tie-up with the Hagemeyer group of The Netherlands. "The Hagemeyer group, with its presence in over 70 countries, is the best bet to market our products abroad."

The new pressure cooker — Summet Rapid — and washing machine — Eco Princess — are to be manufactured in partial technical collaboration with Fagor of Spain at the latter's facility in Spain. Fagor is a global major in pressure cooker and other home appliances segment. "The pressure cooker is based on a new technology and is suitable for all heat sources including gas, electric, ceramic top and induction and will be priced under Rs 3,000." According to him, Sumeet's multipurpose kitchen machine — AKM 2000 — is to be manufactured in the company's own facility in Chennai.

Toasters, microwave ovens, and steam irons are to be manufactured in a "huge facility" in China with partial technical knowledge from Galanz, a large-scale manufacturer of microwave ovens and other electrical appliances. Galanz is an OEM supplier for many big global brands. "For juicers — Juice Fountain — we have tied up with Australian home appliances major Breville for the technical know-how." The product is to be manufactured at Breville's facility in China. "In the Juice Fountain, you can simply crush all types of fruits and vegetables both hard and citrus in any form... even uncut or partially cut."

It is a top-end product and will be priced above Rs 6,000. Sumeet is also engaged in negotiations with leading foreign brands for the manufacture of mixer-grinders. Under the agreement, Sumeet will manufacture mixer-grinders for them. "Dialogues with three brands — one American, one Australian and one European — are in the final stages and will be through in another few months". 
3.14 CONSUMER NON-DURABLE GOODS

Goods which are immediately used by a consumer or which has an expected lifespan of three years or less. Examples of non-durable goods include food and clothing. Opposite of durable goods also called soft goods. Fast Moving Consumer Goods (FMCG) are popularly named as consumer packaged goods. Items in this category include all consumables (other than groceries/pulses) people buy at regular intervals. The most common in the list are toilet soaps, detergents, shampoos, toothpaste, shaving products, shoe polish, packaged foodstuff and household accessories and extends to certain electronic goods. These items are meant for daily of frequent consumption and have a high return.

A major portion of the monthly budget of each household is reserved for FMCG products. The volume of money circulated in the economy against FMCG products is very high, as the number of products the consumer use is very high. Competition in the FMCG sector is very high resulting in high pressure on margins FMCG companies maintain intense distribution network. Companies spend a large portion of their budget on maintaining distribution networks. New entrants who wish to bring their products in the national level need to invest huge sums of money on promoting brands. Manufacturing can be outsourced. A recent phenomenon in the sector was entry of multinationals and cheaper imports. Also, the market is more pressurized with presence of local players in rural areas and state brands.

The Fast Moving Consumer Goods (FMCG) industry in India is one of the largest sectors in the country and over the years has been growing at a very steady pace. The sector consists of consumer non-durable products which broadly consists, personal care, household care and food & beverages. The Indian FMCG industry is largely classified as organized and unorganized. This sector is also buoyed by intense competition. Besides competition, this industry is also marked by a robust distribution network coupled with increasing influx of MNCs across the entire value chain. This sector continues to remain highly fragmented.

Non-durable goods are any type of manufactured items that are not intended to last for an extended length of time. While there is some difference of opinion on how long a good can last and still be classified as non-durable, the general consensus is that any good that is not intended to last any longer than three years does fall into this
category. Under the broad scope of non-durable goods, there are subclasses, such as perishable goods, semi-durable goods and soft goods.

Within the non-durable goods family, soft goods include most textile products. Clothing, bedding, towels and similar items are generally considered to have a useful life of less than three years. While it is certainly true that some of these goods can and do last longer, there is an expectation of constant wear and tear on most forms of textiles, assuming they are used for their intended purposes on a continuing basis. Perishable goods are another sub-category of non-durable goods. Food is easily the best example. Most types of foods even frozen foods, are designed for use within three years of production. This includes canned goods, fresh produce, any type of meat product and packages of frozen foods.

As with other sub-categories, there are exceptions to this three-year standard, such as foods that are vacuum-packed and considered safe for consumption for up to five years. Semi-durable goods are also part of the non-durable goods family. Of all the sub-categories, goods of this type are expected to last the longest. Items in this group would include many types of electronic devices, like cell phones, stereo equipment, television sets and most other types of consumer electronic gadgets.

Classing products as non-durable goods does not in any way imply they are of inferior quality. In fact, many semi-durable goods are manufactured to provide the highest quality and performance possible with that particular type of product. The classification has more to do with the anticipated life of the product in general, based on such factors as frequency of usage, ease of maintenance and the life of the individual components that are used to construct the product. It is important to note that a number of non-durable goods can and do have a useful life that exceeds the generally accepted three-year limit.

For example, a small radio or DVD player can easily last for five to seven years, even though the device is thought of as non-durable. For this reason, referring to any product as non-durable is more of a means of managing industrial organization, since a given non-durable product may last ten years for one consumer, while providing no more than a couple of years of service to a different consumer.
3. 14.1 **Industry classification** FMCG industry is volume driven and is characterized by low margins. The products are branded and backed by marketing, heavy advertising, slick packaging and strong distribution networks. The FMCG segment can be classified under the premium segment and popular segment. The premium segment caters mostly to the higher/upper middle class which is not as price sensitive apart from being brand conscious. The price sensitive popular or mass segment consists of consumers belonging mainly to the semi-urban or rural areas who are not particularly brand conscious. Products sold in the popular segment have considerably lower prices than their premium counterparts.

Table No. 3.7

3.14.2 Following are the segment-wise product details along with the major players:

<table>
<thead>
<tr>
<th>Segment</th>
<th>Products</th>
<th>Major Players</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household Care</td>
<td>Fabric wash (laundry soaps and synthetic detergents); household cleaners (dish/utensil cleaners, floor cleaners, toilet cleaners, air fresheners, insecticides and mosquito repellents, metal polish and furniture polish)</td>
<td>HUL, Nirma, Godrej Consumer Products, ITC, P&amp;G, Dabur, Reckitt &amp; Coliman</td>
</tr>
<tr>
<td>Personal Care</td>
<td>Oral care, hair care, skin care, personal wash (soaps), cosmetics and toiletries, deodorants, perfumes, female hygiene products, paper products</td>
<td>Colgate-Palmolive, HUL, Dabur, Lakme, Marico, Fem Care, Emami, P&amp;G, Himalaya, ITC, Godrej Consumer Products</td>
</tr>
<tr>
<td>Food &amp; Beverages</td>
<td>Food: Staples/cereal, bakery products (biscuits, bread, cakes), snack food, chocolates, ice cream, branded flour, branded rice, branded sugar, ready-to-eat packaged food, etc.</td>
<td>Parle Agro, Britannia, ITC Nestle, Cadbury India, Dabur, PEPSICO</td>
</tr>
<tr>
<td></td>
<td>Beverages: Health beverages, soft drinks, tea, coffee, bottled water, juice, liquor etc.</td>
<td>United Breweries, Dabur, Raoico Khaitan, United Spirits, PEPSICO, Coca-cola, GlaxoSmithKline</td>
</tr>
</tbody>
</table>

(Source: Center for Monitoring Indian Economy (CMIE))

**FMCG Products and Categories**

- Personal Care, Oral Care, Hair Care, Skin Care, Personal Wash (soaps);
- Cosmetics and toiletries, deodorants, perfumes, feminine hygiene, paper products;
- Household care fabric wash including laundry soaps and synthetic detergents; household cleaners, such as dish/utensil cleaners, floor cleaners, toilet cleaners, air fresheners, insecticides and mosquito repellents, metal polish and furniture polish;
3. 14.3 FMCG in 2006

The performance of the industry was inconsistent in terms of sales and growth for over 4 years. The investors in the sector were not gainers at par with other booming sectors. After two years of sinking performance of FMCG sector, the year 2005 has witnessed the FMCGs demand growing. Strong growth was seen across various segments in FY06. With the rise in disposable income and the economy in good health, the urban consumers continued with their shopping spree.

- Food and health beverages, branded flour, branded sugarcane, bakery products such as bread, biscuits etc., milk and dairy products, beverages such as tea, coffee, juices, bottled water etc, snack food, chocolates etc.

- Frequently replaced electronic products, such as audio equipments, digital cameras, Laptops, CTVs; other electronic items such as Refrigerator, washing machines etc. coming under the category of White Goods in FMCG;

FMCG is the fourth largest sector in the Indian Economy with a total market size of Rs. 60,000 crores. FMCG sector generates 5% of total factory employment in the country and is creating employment for three million people, especially in small towns and rural India.

3. 14.4 Scope of the Sector

US$13.1 billion is the fourth largest sector in the economy. A well-established distribution network, intense competition between the organized and unorganized segments characterizes the sector. FMCG Sector is expected to grow by over 60% by 2010. That will translate into an annual growth of 10% over a 5-year period. It has been estimated that FMCG sector will rise from around Rs 56,500 crores in 2005 to Rs 92,100 crores in 2010. Hair care, household care, male grooming, female hygiene, and the chocolates and confectionery categories are estimated to be the fastest growing segments, says an HSBC report. Though the sector witnessed a slower growth in 2002-2004, it has been able to make a fine recovery since then. For example, Hindustan Levers Limited (HLL) has shown a healthy growth in the last quarter. An estimated double-digit growth over the next few years shows that the good times are likely to continue.
3. 14.5 Growth Prospects

With the presence of 12.2% of the world population in the villages of India, the Indian rural FMCG market is something no one can overlook. Increased focus on farm sector will boost rural incomes, hence, providing better growth prospects to the FMCG companies. Better infrastructure facilities will improve their supply chain. FMCG sector is also likely to benefit from growing demand in the market. Because of the low per capita consumption for almost all the products in the country, FMCG companies have immense possibilities for growth. And if the companies are able to change the mindset of the consumers, i.e. if they are able to take the consumers to branded products and offer new generation products, they would be able to generate higher growth in the near future. It is expected that the rural income will rise in 2007, boosting purchasing power in the countryside. However, the demand in urban areas would be the key growth driver over the long term. Also, increase in the urban population, along with increase in income levels and the availability of new categories, would help the urban areas maintain their position in terms of consumption. At present, urban India accounts for 66% of total FMCG consumption, with rural India accounting for the remaining 34%. However, rural India accounts for more than 40% consumption in major FMCG categories such as personal care, fabric care, and hot beverages. In urban areas, home and personal care category, including skin care household care and feminine hygiene, will keep growing at relatively attractive rates. Within the foods segment, it is estimated that processed foods, bakery, and dairy are long-term growth categories in both rural and urban areas.

Indian Competitiveness and Comparison with the World Markets

The following factors make India a competitive player in FMCG sector

Availability of Raw Materials

Because of the diverse agro-climatic conditions in India, there is a large raw material base suitable for food processing industries. India is the largest producer of livestock, milk, sugarcane, coconut, spices and cashew and is the second largest producer of rice, wheat and fruits &vegetables. India also produces caustic soda and soda ash, which are required for the production of soaps and detergents. The availability of these raw materials gives India the location advantage.
Labor Cost Comparison

Low cost labor gives India a competitive advantage. India's labor cost is amongst the lowest in the world, after China & Indonesia. Low labor costs give the advantage of low cost of production. Many MNC's have established their plants in India to outsource for domestic and export markets.

Presence across Value Chain

Indian companies have their presence across the value chain of FMCG sector, right from the supply of raw materials to packaged goods in the food-processing sector. This brings India a more cost competitive advantage. For example, Amul supplies milk as well as dairy products like cheese, butter et

3. 14.6 Top 10 FMCG Companies

Table No.3.8

<table>
<thead>
<tr>
<th>S. NO.</th>
<th>Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hindustan Unilever Ltd.</td>
</tr>
<tr>
<td>2</td>
<td>ITC (Indian Tobacco Company)</td>
</tr>
<tr>
<td>3</td>
<td>Nestlé India</td>
</tr>
<tr>
<td>4</td>
<td>GCMMF (AMUL)</td>
</tr>
<tr>
<td>5</td>
<td>Dabur India</td>
</tr>
<tr>
<td>6</td>
<td>Asian Paints (India)</td>
</tr>
<tr>
<td>7</td>
<td>Cadbury India</td>
</tr>
<tr>
<td>8</td>
<td>Britannia Industries</td>
</tr>
<tr>
<td>9</td>
<td>Procter &amp; Gamble Hygiene and Health Care</td>
</tr>
<tr>
<td>10</td>
<td>Marico Industries</td>
</tr>
</tbody>
</table>

![Labor Cost Comparison](image)
3. 14.7 FMCG as a career

FMCG is one of the most dynamic domains of the business world. A career in this sector encompasses a large number of job roles like market research, pricing and product development, purchasing, advertising and brand awareness. FMCG is a sector where graduates can gain excellent rewards if they work hard. FMCG products are those that move off the shelves in retail outlets very quickly. Figure No.3.3

In the Fast Moving Consumer Goods (FMCG) sector, one needs to be fast in translating the ideas into new products. There is a requirement to create the products that people trust, enjoy and use in their daily lives. Advertising and marketing have a vital role to play in this.

3. 14.8 Qualifications Required

FMCG career structures are fairly slow to progress. One may not get as high a package initially as in some other sectors like IT, Real Estate etc. Having once entered the sector, however, candidates would find any number of opportunities and would see their salary packages rise fast enough. There are plenty of options in FMCG sector if you enter as a graduate but strong educational qualifications are an advantage.

Skills Required

FMCG sector requires huge amount of commercial awareness; one must have the skills of a team player. Apart from that, good numerical skills, communication and organizational skills are all essential for a successful career in this industry. Key skills will also depend upon the type of position you want to pursue i.e. marketing, human resources, finance etc. Here are seven good reasons why one should pursue one's career in FMCG sector:

Job Security

It is a stable industry. Unlike some other industries, such as automobiles, computers, and airlines, FMCG industry does not suffer from mass layoffs, every time the economy starts to dip. One may drop the idea of buying a car but not the idea of having dinner. This lends FMCG a level of job security unknown in other industries.
3. 14.9 A high profile industry

India has 1.1 billion people and all are consumers. Therefore everyone is affected by FMCG sector. People now are getting more & more health conscious. They are getting concerned about what they are eating. All this has become possible because of the frequent display of various advertisements, such as protests against the genetic modification of foods, the growing problem of obesity etc.

Quick experience

Consider an example: One person is working in the sales of cars while the other one is working in the sales of juice. At the end of the month, the person who is working for the sales of cars makes a maximum of 2 or 3 sales, if he is fortunate. On the other hand, the other person sells a large number of products every day. Definitely, the juice seller will get more experienced in less time working in FMCG than any other sector, no matter whether in sales, marketing, operations, accounting etc. In the end, one will land up learning more and gaining a firm grasp of basic business skills.

A wide range of experience

One can have a wide range of choices if one desires a career path in FMCG sector. Wide availability of options for working in a large MNC or a small local company ensures that people in FMCG sector have a range of job roles available to them. The "fast moving" part of FMCGs requires people who are flexible.

Transfer from sales to marketing or to operations is very common. In fact all three roles can be played at once in smaller firms. One will get to learn a lot, even if one enters this sector for a short duration.

3.14.10 Industry overview (US)

According to sales and inventory data recently released by the US Department of Commerce, inventories at wholesale distributors dropped in April for the first time in six months. Wholesale inventories decreased 0.1 percent, to $290.6 billion. This suggests that the distributors are anticipating a decline in sales. It's not an unreasonable anticipation wholesale sale fell two percent in April after rising one percent in March. Considered relative to sales, however, wholesale inventories actually rose to a 1.23 months' supply from a low of 1.21 months in March.
Sales of non-durable goods dropped by 3.6 percent in April, a greater percentage of decrease than that seen by the overall wholesale market. Much of this decrease can be attributed to a 24 percent drop in the value of petroleum sales, as petroleum-based fuels comprise a significant portion of the non-durable goods market. At the end of April, crude oil futures fell as low as $25.24 a barrel, compared with a March high of $37.83 a barrel. Petroleum prices fell sharply in April when the war in Iraq went well, according to Stephen Stanley, senior market economist at RBS Greenwich Capital.

New orders for manufacturing products decreased in February and are expected to remain depressed in the coming months. Orders were down for most industries, except for defense-related sectors. The decrease in new product demand will limit production, which in turn will limit the demand for wholesale distribution services.

M&A Activity

In the mid-cap market, the number of deals in the industry has increased since 1999, except for a dip in 2001. In the large-cap market, the number of deals has decreased rapidly from 1999 to a low in 2001, and has only just started to rise again in 2002. In both the mid-cap and large-cap markets, the ratio of deal price to seller's assets increased in 2002 from its average value in 2001. In the mid-cap market, however, the average value of the price/asset multiple was significantly higher in 1999 and 2000.

Sample Industry Segments: Paper, Chemicals, Groceries Demand for paper products is expected to increase. According to Resource Information Systems Inc., printing and writing paper are currently losing market share in the US economy. These items are expected to continue their traditional pattern of improving as the GDP increases, however. John Maine of Resource Information Systems predicts, "Demand for uncoated and coated free sheet papers will increase by 1.4 percent and 3.9 percent, respectively, in 2003." The firm also expects paper prices to increase by 6 percent by the end of 2003. The increase in demand is likely to benefit wholesale distributors of paper products. The increase in prices may offset this gain, unless the increase can be passed on to consumers.

Chemical product inventories declined at the end of 2002 but rose rapidly last February, due to a large increase in pharmaceuticals and medicines inventories. This increase caused the inventory/sales ratio to rise but it still remains below previous
peaks. In addition to drugs, non-durable chemical products include items such as industrial and heavy chemicals, dyestuffs, industrial salts, rosin and turpentine. Inventories of these products remain depressed compared to those of pharmaceutical items.

The wholesale grocery business is seeing new business from online retailers who purchase goods wholesale and ship directly to consumers. Online grocers compete with supermarkets and other traditional grocery outlets. Although these firms avoid many of the expenses involved in maintaining a full grocery store, they often store product in their own warehouses, allowing them to capitalize on wholesale pricing by buying in bulk.

The success of this business model has not yet been proven, however. Buyers still like to be able to see and examine goods before buying them. Jack Brown, the chief executive of Stater Bros. Markets, predicts that online grocers will never account for more than 5 percent of the industry. Deliveries of orders placed over the Web currently account for about 1 percent of the grocery industry's total sales, according to the Food Marketing Institute.

The production of nondurable goods is a component of a country's gross domestic product (GDP). As reported in the Survey of Current Business by the Bureau of Economic Analysis, nondurable goods that are sold to consumers appear under personal consumption expenditures. The other two categories of personal consumption expenditures are durable goods and services.

Nondurable goods that are produced but not sold are reported as changes in business inventories. Changes in business inventories also include durable goods. If more goods are produced than sold, then business inventories increase. On the other hand, when more goods are sold than are produced during a given period, business inventories decline. The category of changes in business inventories is used as an economic indicator to gauge the direction of a country's economy. Increases in business inventories may signal a weakening of consumer demand or a strengthening of productive activity. Finally, the production of nondurable goods also appears in the GDP as part of a nation's exports and as part of national, state and local government purchases.
The category of personal consumption expenditures for nondurable goods is not used as an economic indicator. Most nondurable goods are purchased when needed. Changes in the level of consumer expenditures for nondurable goods tend to reflect population growth rather than economic conditions.

The purchase of nondurable goods by consumers represents a significant portion of the United States' GDP, although it is by no means the largest category of expenditures. Personal consumption expenditures in 1997, including durable goods, nondurable goods, and services, amounted to $5.49 trillion in 1997 out of a total GDP of $8.11 trillion, or 68 percent of GDP. Of that total, consumers spent $1.60 trillion on nondurable goods (19.8 percent of GDP), $673.1 billion on durable goods (8.3 percent of GDP), and $3.22 trillion on services (39.7 percent of GDP). In addition, nondurable goods contributed to the GDP in the categories of exports and government purchases.

An Industry that thrives on Innovation

FMCG sector gives the opportunity to do creative work. There is a constant requirement of innovation in production, advertising, packaging and branding. FMCG offers an opportunity to express your creativity through developing new ideas for products, as brands compete head to head on the shelf.

Nationwide Opportunities, both Urban and Rural

FMCG sector offers opportunities through its connection to the primary sector in rural and urban areas. The sector is particularly attractive for those interested in working in different parts of the country, as it has a nationwide base, unlike many other sectors confined to particular locations.

Offshore opportunities

The International offices of most FMCG multinationals regularly recruit staff from our country, either for short projects or for longer stints.

Secondary Players

1. Colgate-Palmolive (India) Ltd.  
2. Godrej Consumers Product Ltd.  
3. Nirma Ltd.  
4. Tata Tea Ltd.  
5. Parle Agro  
6. H. J. Heinz
3.14.11 Indian Consumer Class

India has a population of over 1 billion and 4 climatic zones. Several religious and personal beliefs, 15 official languages, different social customs and food habits characterize Indian consumer class. Besides, India is also different in culture if compared with other Asian countries. Therefore, India has high distinctiveness in demand and the companies in India can get lot of market opportunities for various classes of consumers. Consumer goods marketers’ experience that dealing with India are like dealing with many small markets at the same time. Indian consumer goods market is expected to reach $400 billion by 2010. India has the youngest population amongst the major countries. There are a lot of young people in India in different income categories. Consumer goods marketers are often faced with a dilemma regarding the choice of appropriate market segment. In India they do not have to face this dilemma largely because rapid urbanization increases in demand, presence of large number of young population, any number of opportunities are available. The bottom line is that Indian market is changing rapidly and is showing unprecedented consumer business opportunity.

<table>
<thead>
<tr>
<th></th>
<th>Market Size in $ million</th>
<th>Market Share in %</th>
<th>Indian Companies</th>
<th>MNCs</th>
<th>Indian Companies</th>
<th>MNCs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breakfast cereals</td>
<td>2</td>
<td>25</td>
<td>100</td>
<td>0</td>
<td>52</td>
<td>48</td>
</tr>
<tr>
<td>Wafers, potato chips</td>
<td>6</td>
<td>35</td>
<td>100</td>
<td>0</td>
<td>37</td>
<td>63</td>
</tr>
<tr>
<td>Washing Machines</td>
<td>40</td>
<td>570</td>
<td>98</td>
<td>2</td>
<td>51</td>
<td>49</td>
</tr>
<tr>
<td>TV</td>
<td>630</td>
<td>3,030</td>
<td>97</td>
<td>3</td>
<td>49</td>
<td>51</td>
</tr>
</tbody>
</table>

(Source: Center for Monitoring Indian Economy(CMIE))

Indian consumer class can be classified according to the following criteria:
1. Income
2. Socio-Economic status
3. Age demographics
4. Geographical dispersion
3. 14.12 recent developments in fast moving consumer goods (FMCG) sector

FMCG sector is no doubt registering an up trend in growth. According to CNBC, FMCG sector growth story will continue because of the positive budget. Nevertheless, there are some barriers to the growth of the sector. Indirect taxes constitute no less than 35% of the total cost of consumer products - the highest in Asia. Last year, the recent introduction of integrated goods & service tax during April, 2010 by the Finance Minister is on exceptionally good move because the growth of consumption, production and employment is directly proportionate to reduction in indirect taxes.


- Reduction of duty on edible oil will have a positive impact on Marico.
- Full exemption of excise duty on biscuits priced at 50 rupees or less per kg is positive for ITC, Britannia and Parle.
- Reduction of custom duty on food processing machinery and their parts from 7.5% to 5%.
- Reduction of excise duty on food mixes from 16% or 8% to nil is positive for ITC.
- Development of rural infrastructure is in focus, which is beneficial for FMCG companies because it is a big market for FMCGs. Better infrastructure will improve the supply chain.
• Exemption of free samples and displays from the purview of FBT will be beneficial for FMCG companies because they spend huge amount of money on advertising and brand building. HLL, Dabur, ITC and Marico will be amongst the most benefited companies.
• Reliance Retail to Enter the Packaged Tea Market
• Emami Set to Invest Rs 220 Crore for Expansion in FMCG Sector.
• Godrej Targeting FMCG Acquisitions in China, Indonesia and Brazil FMCG Sector on a Buying Spree.

The production of non-durable consumer goods has shown a high growth rate of 25.1% in 2009-10 so far, while non-durable goods have grown at a sedate 6.4%. The industrial production numbers conceal divergent trends. In particular, the difference between the rates of growth in the durable and non-durable consumer goods sectors has been marked. The production of non-durable consumer goods has shown a high growth rate of 25.1% in 2009-10 so far, while non-durable goods have grown at a sedate 6.4%. Some of it is due to a base effect, as durable consumer goods grew at a mere 3.9% in 2008-09. But then, the growth of non-durable consumer goods in 2008-09 was even lower, at 1.2%.

Why the divergence? One reason could be the drought of 2009-10, which resulted in food inflation, which must have crimped demand for basic consumer goods. But, the drought doesn’t explain why the growth in consumer non-durables was so low in the previous year

3. 14.14 Trends in the growth of consumer goods:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>April</td>
<td>18.7</td>
<td>7.4</td>
<td>2.4</td>
<td>11.9</td>
<td>9.4</td>
<td>18.2</td>
</tr>
<tr>
<td>May</td>
<td>17.7</td>
<td>17.5</td>
<td>-0.7</td>
<td>18.6</td>
<td>8.2</td>
<td>12.1</td>
</tr>
<tr>
<td>June</td>
<td>12.8</td>
<td>19.9</td>
<td>-3.6</td>
<td>27.5</td>
<td>1.8</td>
<td>6.3</td>
</tr>
<tr>
<td>July</td>
<td>3.8</td>
<td>16.1</td>
<td>-2.7</td>
<td>4.8</td>
<td>17.1</td>
<td>10.5</td>
</tr>
<tr>
<td>August</td>
<td>13.0</td>
<td>19.0</td>
<td>-6.2</td>
<td>8.0</td>
<td>13.6</td>
<td>2.4</td>
</tr>
<tr>
<td>September</td>
<td>15.2</td>
<td>11.8</td>
<td>-7.3</td>
<td>10.5</td>
<td>12.2</td>
<td>2.6</td>
</tr>
<tr>
<td></td>
<td>5.4%</td>
<td>23.3%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Sectoral and use-based classification of industries

<table>
<thead>
<tr>
<th>Industry Group</th>
<th>Weight in The IIP</th>
<th>Growth Rate</th>
<th>Weighted Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2006-07</td>
<td>2007-08</td>
<td>2006-07</td>
</tr>
<tr>
<td>a. Consumer Durables</td>
<td>5.4%</td>
<td>9.2%</td>
<td>-1.0%</td>
</tr>
<tr>
<td>b. Consumer Non-durables</td>
<td>23.3%</td>
<td>10.4%</td>
<td>8.5%</td>
</tr>
<tr>
<td>c. Consumer goods (a+b)</td>
<td>28.7%</td>
<td>10.1%</td>
<td>6.1%</td>
</tr>
</tbody>
</table>

(Source: Center for Monitoring Indian Economy (CMIE))

3. 14.15 Economic Contribution

The FMCG sector in India is expected to grow at a compounded annual growth rate (CAGR) of 9% to a size of Rs 1,43,000 crores by 2010 from Rs 93,000 crores at present.

With a growth of 52.5%, the BSE FMCG Index has, during the last one year outperformed the sensex, which could manage a growth of 41% only. A well-established distribution network, intense competition between the organized and unorganized segments, low operating cost, strong branding characterizes the sector. Hemindra Hazari, head of research at Karvy Stock broking Ltd, points to this divergent performance in a note and attempts to provide explanations for it. "The non-durable consumer goods includes several items of mass consumption (for example, edible oil, sugar, tea, coffee, toothpaste, soap, textiles, footwear, biscuits and matches) as well as relatively labour-intensive exports (such as leather and leather products, textiles and garments and tea). As a result, the setback to global demand would affect the domestic non-durables sector both directly (reduced export demand) and indirectly (retrenchment in the export sector would reduce urban employment and hence, reduce demand for non-durables)," Hazari says.

"While the increase in government welfare and infrastructural expenditure on the rural areas would help to offset this decline, the expansion of rural jobs does not fully Counteract the impact on demand of the loss in urban jobs: monthly per capita expenditure in the urban areas is almost twice that of the rural areas. (The government has talked of launching an urban employment scheme but this has not materialized.) Thus, growth in non-durable consumer goods has been significantly lower than the
There are also several reasons why consumer durables did so well—the stimulus packages, the low interest rates that pushed auto sales and the Sixth Pay Commission arrear payments that might have been used to buy durable goods. Analysts say that personal and home care product makers, too, have seen a deceleration in volume growth, partly due to food inflation. But, Hazari says that the poor at the bottom of the pyramid do not buy the products of companies tracked by equity analysts. The data does seem to show that the recovery is yet to be a reality for the masses.

3. 14.16 Toilet Soaps

The toilet soaps market is estimated at 730,000 tpa including small imports. Hindustan Lever is, of course, the market leader. The market is littered over with several, leading national and global brands and a large number of small brands, which have limited markets. The popular and premium brands include Lux, Hamam, Mysore Sandal, Liril, Lifebuoy and Rexona.

Toilet soaps, despite their divergent brands are not well differentiated by the consumers. It is, therefore, not clear if it is the brand loyalty or experimentation lured by high volume media campaign, which sustain them. A consequence is that the market is fragmented. It is obvious that this must lead to a highly competitive market. Toilet soap, once only an urban phenomenon, has now penetrated practically all areas including remote rural areas. The incremental demand flows from population increase and rise in usage norm impacted as it is by a greater concern for hygiene. Increased sales revenues would also expand from up gradation of quality or per unit value. As the market is constituted now, it can be divided into four price segments: premium, popular, discount and economy soaps. Premium soaps are estimated to have a market volume of about 80,000 tonnes. This translates into a share of about 14 to 15%. However, by value it is as much as 30%. 
Figure No.3.5: Market Segmentation

![Market Segmentation Chart]

(Source: Center for Monitoring Indian Economy (CMIE))

Soaps are also categorized into men's soaps, ladies' soaps and common soaps. There are a few specialty soaps as transparent Glycerin soaps, sandal soaps, specially flavored soaps, medicated soaps and baby soaps. Specialty soaps are high valued but enjoy only a small share of the market in value terms.

The market is growing at 7% a year. This means that the incremental demand generation is 5% over and above the population growth. With increasing awareness of hygienic standards, the market could grow at a rate higher than 8% annually. Interestingly, 60% of the market is now sourced from the rural sector. This means that the variance between the two segments is not very large. Since, upper-end market focus is the urban areas, margins come from the urban sector.

3. 14.17 Factors affecting buying behaviour

Price is the most important factor which effects the buying behavior of consumer, by which a consumer goes for the various segment of soap like premium, popular, sub-popular and carbolic which are basically decided by the cost factor and fat content in the soap. The buying frequency is either monthly that is done by the families or in case of bachelors it is more than once in a month. The occasions when premium soaps are purchased are usually when there are festivals and ceremonies. Moti Soaps are usually presented during festivals and occasions for presents and gifts. The promotional techniques help to boost sales. Various tactics like the price off's, buy one get two free, free gifts and other schemes help boost sales in short run and also help in clearing stocks. One of the important points a soap marketer should note is that the soaps are usually purchased by women in urban areas as most of the day to day consumption of personal care products are made by women. A point to note is that women use more personal care product than men do and hence premium soaps are
mostly targeted at them. Men normally make purchase decisions in rural areas. Hence, the marketer has to adopt different strategy for such a market.

3. 14.18 Lux Soap

Lux soap was first launched in the UK in 1899 as a flaked version of Sunlight soap. Subsequently it was launched in the US in 1916 and marketed as a laundry soap targeted specifically at 'delicates'. Lever Brothers encouraged women to home launder their clothes without fear of satins and silks being turned yellow by harsh lyes that were often used in soaps at the time. The flake-type soap allowed the manufacturer some leeway from lye because it did not need to be shaped into traditional cake-shaped loaves as other soaps were. The result was a gentler soap that dissolved more readily and was advertised as suitable for home laundry use. Lux is currently a product of Unilever. The name "Lux" was chosen as the Latin word for "light" and because it was suggestive of "luxury."

Lux toilet soap was introduced as a bathroom soap in the US in 1925 and in the UK in 1928 as a brand extension of Lux soap flakes. Subsequently Lux soap has been marketed in several forms, including hand wash, shower gel and cream bath soap. Lux soap was launched in India in 1929. The very first advertisement in 1929 featured Leela Chitnis as its brand ambassador. It was branded in India as "the beauty soap of film stars'.

Dominic Wright a Scottish Multimillionaire owns 49% of the company. As of June 2009 Lux is sold in over 100 countries. Since the 1930s many well-known Hollywood actresses have marketed the soap to women as a beauty enhancer. Advertisements have featured Dorothy Lamour[2], Joan Crawford[3], Laurette Luez, Judy Garland, Cheryl Ladd, Jennifer Lopez, Elizabeth Taylor, Demi Moore, Sarah Jessica Parker, Catherine Zeta-Jones, Rachel Weisz, Anne Hathaway, and Marilyn Monroe among others. The first male to star in a Lux advertisement was Hollywood actor Paul Newman.

Today, the brand is still heavily advertised in India using Bollywood stars.[3] Madhubala, Mala Sinha, Hema Malini, Sridevi, Madhuri Dixit, Juhi Chawla, Karisma Kapoor, Rani Mukerji, Amisha Patel, Kareena Kapoor and Tabu have all been past brand ambassadors.[citation needed] Aishwarya Rai, Nikki jaiswal,Priyanka Chopra and Katrina Kaif are the present brand ambassadors of Lux. While actress Shriya Saran
have signed as brand ambassador for kollywood and tollywood[4][5]. In India Shahrukh Khan was the first male in a Lux advertisement and he is now joined by Abhishek Bachchan.[6].

Lux has been widely advertised in Pakistan ever since the brand was introduced. Pakistani models including Reema Khan, Meera, Aaminah Haq, Babra sharif and various other leading models and actresses have been "Lux models" from time to time. Lux remains the leading soap brand in Pakistan, representing the stylish class of Pakistan. Things started with a TV show called Lux Style Ki Duniya, now with the country's leading models and actors taking part in the annual Lux Style Awards every year. Ali Zafar the famous Pakistani Singer has become the first male model for Lux.

Lux soap is very popular in Nepal and the brand appointed Nepali model-turned-actress Jharana Bajracharya to be the Lux Girl in the Summer of 2003. After that, she appeared on many TV commercials. Nigerian actress Genevieve Nnaji appeared as the face of Lux soap in 2004. Two decades earlier, singer Patti Boulaye had been Nigeria's face of Lux. In Norway during the 1950s and 1960s, Lux advertisements featured fictional Italian actresses. Lux soap is also a category leader in Pakistan, the brand being synonymous with glamour. While initially it was also marketed as the beauty soap of the film stars, recently it is focusing more on bringing out the star in ordinary people. Current brand ambassador is Iman Ali. From Indonesia, they are Tamara Bleyzenski, Dian Sastrowardoyo, Luna Maya and Mariana Renata.

Sponsorship of Radio Shows

Lux soap was known for sponsoring several popular radio series in the 1930s and 1940s including Lux Radio Theater hosted for much of its run by Cecil B. DeMille,[7] it presented radio adaptations of film successes and the Life and Love of Dr. Susan,[8] an early soap opera. This radio sponsorship made the brand fairly well-known in the United States while the shows were produced, though the soap has since, disappeared from mainstream American markets and is no longer the recognized brand it once was. Many Hollywood stars were lured to appear on Lux Radio Theatre not only due to its high quality but that the actors and actresses received monetary payment instead of free samples of the product. From 1950 to 1959, Lux sponsored Lux Video Theatre and Lux Playhouse on television.
Table No.3.11
Analyzing the Market of Lux

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Company</th>
<th>Brand Name</th>
<th>Yearly share on toilet soaps</th>
<th>Market share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Unilever (BD) Ltd</td>
<td>Lux International beauty soap</td>
<td>312 crores</td>
<td>43.33%</td>
</tr>
<tr>
<td>2.</td>
<td>Square Toiletries Meril Beauty Soap Divisions</td>
<td>48 core</td>
<td>6.66%</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Keya cosmetics</td>
<td>Keya Beauty Soap</td>
<td>72 core</td>
<td>10%</td>
</tr>
<tr>
<td>4.</td>
<td>Aromatic Cosmetics Ltd.</td>
<td>Aromatic Beauty Soap</td>
<td>48 core</td>
<td>6.66%</td>
</tr>
<tr>
<td>5.</td>
<td>Lily Cosmetics Ltd.</td>
<td>Lily Beauty Soap</td>
<td>72 core</td>
<td>10%</td>
</tr>
<tr>
<td>6.</td>
<td>Kohinoor Chemical Co</td>
<td>Tibet Beauty Soap</td>
<td>72 core</td>
<td>10%</td>
</tr>
<tr>
<td>7.</td>
<td>Marks &amp; Allys Ltd.</td>
<td>Camelia Beauty Soap</td>
<td>60 core</td>
<td>8.35%</td>
</tr>
<tr>
<td>8</td>
<td>Others</td>
<td></td>
<td>36 core</td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td><strong>Annual Sales Revenue and Market Share</strong></td>
<td>720 core</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

(Source: Center for Monitoring Indian Economy (CMIE))

3. 14.19 Mysore Sandal Soap

Mahendra Singh Dhoni became the most expensive cricketer in the world following his Rs 6 crore bid by the Chennai franchisee in the DLF Indian Premier League but all is not hunky dory for him. Dhoni is in the eye of a legal storm over unfulfilled ad commitments. The Karnataka Soaps and Detergents Ltd, manufacturers of the Mysore Sandal brand of soaps, have cancelled their contract with him and slapped a legal notice on Dhoni. "They were supposed to give us 10 days over two years against which they've only given us three days. For the balance seven days there are no committed dates. So, we had to cancel the contract. That's why we've asked for damages of Rs 41 lakh," Anil Kumar of Karnataka Soaps and Detergents Ltd says.

Mysore Sandal is one of the most popular soap brands in the south. And the reason Dhoni was roped in to promote it was to get a good foothold in north India as far as sales are concerned. But, the deal with one of the most expensive cricketers in the country has gone terribly awry for the state-owned company. Mysore Sandal boasts of a 15 per cent market share in the south but has just eight per cent share in the north Indian market. Dhoni became its brand ambassador at a cost of Rs 84 lakh in 2006. Dhoni's endorsing company Gameplan has now asked for arbitration in the case but refused to comment on camera.
Mysore sandal soap  
Product code :ts-01

With the oldest known perfumery material Sandalwood as its main ingredient, the Sandal soaps of KS&DL have a definite niche in the soap market. The oil of Sandalwood recommended in ancient ayurvedic texts for skin care, has excellent antiseptic properties and soothes prickly heat and other skin rashes too. The Sandal soaps of KSDL are probably the only soap in the World with pure natural sandalwood oil. The reason why they are used the world over for nourishing and softening the skin.

Mysore Sandal soap available in 17gms, 75gms, 125gms, 150gms and 150gms x 3 packed in a set. This soap is made from pure vegetable ingredients and contains natural Mysore Sandal oil. Ingredients:— Sodium Palmate, Sodium Palm Kernelate, Sodium chloride, water, Titanium dioxide, Tetra Sodium, EDTA, Perfume and Cos colours.

Mysore sandal soap  
Product code :ts-02

With the oldest known perfumery material Sandalwood as its main ingredient, the Sandal soaps of KS&DL have a definite niche in the soap market. The oil of Sandalwood recommended in ancient ayurvedic texts for skin care, has excellent antiseptic properties and soothes prickly heat and other skin rashes too. The Sandal soaps of KSDL are probably the only soap in the World with pure natural sandalwood oil. The reason why they are used the world over for nourishing and softening the skin.

Mysore Sandal soap available in 17gms, 75gms, 125gms, 150gms and 150gms x 3 packed in a set. This soap is made from pure vegetable ingredients and contains natural Mysore Sandal oil. Ingredients:— Sodium Palmate, Sodium Palm Kernelate, Sodium chloride, water, Titanium dioxide, Tetra Sodium, EDTA, Perfume and Cos colours.

Mysore sandal soap  
Product code :ts-03

With the oldest known perfumery material Sandalwood as its main ingredient, the Sandal soaps of KS&DL have a definite niche in the soap market. The oil of Sandalwood recommended in ancient ayurvedic texts for skin care, has excellent
antiseptic properties and soothes prickly heat and other skin rashes too. The Sandal soaps of KSDL are probably the only soap in the World with pure natural sandalwood oil. The reason why they are used the world over for nourishing and softening the skin. Mysore Sandal soap available in 17gms, 75gms, 125gms, 150gms and 150gms x 3 packed in a set. This soap is made from pure vegetable ingredients and contains natural Mysore Sandal oil. Ingredients: Sodium Palmate, Sodium Palm Kernelate, Sodium chloride, water, Titanium dioxide, Tetra Sodium, EDTA, Perfume and Cos colours.

**Mysore sandal classic soap**  
**Product code :ts-04**

The only soap of its kind with the careful blending of glycerin and pure sandalwood oil, to moisturize and nourish the skin with a fragrance that lingers all day long.

**Mysore rose soap**  
**Product code :ts-05**

The dew drop freshness of just plucked roses captured in soap form, to give a feeling of a shower with rose petals. Ingredients:- Super max grade talc, Titanium Dioxide, Tetra sodium, Rose Perfume, Cos colour and silicon.

**Mysore herbal care**  
**Product code :ts-06**

Mysore Sandal Herbal care is a formulation of 1g essential oils and herbal fragrances, with neem extracts. The Scents of the 1g herbs which include Basil, Citronella, Clove, Eucalyptes, Geranium, Palmrosa, Rosemary and Ylang, Ylang. For day long freshness,

**3.14.20 Hamam Soap**

Hamam contains polyols, which are known to be good moisturizers. Hamam also contains Aloe Vera, Tulsi and Neem extracts. Hamam soap is made from a blend of vegetable oils. The optimum grade of Palm oil and coconut oil is mixed in the right proportion to give a soap that is lasting, gives lather which is stable and can effectively remove oil, dirt fro Hamam is a brand of soap made in India and marketed by Hindustan Unilever, the Indian unit of Unilever. The name comes from the Arabic/Persian/Hindi word Hammam which refers to a public bathing establishment in the middle-eastern countries. It was launched in 1934 and is a leading product in its category's the surface of the skin.
3.14.21 Detergents

India has been manufacturing synthetic detergents for over two decades. During this period these have been many up heals. Sway detergent powder from suastic oil mills has one of the earliest to make a name in the India urban consumer market. But, soon HL’s surf became the number one brand. It had weak competition from key by godrej, Tej, by Tata and variety of other brands. However, in the late 1970’s an enterprising young man called Karsanbai Patel of Ahmedabad formulated a Plain yellow synthetic detergent powder in his own house and named it Nirma, the pet name of niece. Gradually, Nirma washing powder, the cheapest in the market, captured Ahmedabad, Bombay and are other urban century in India priced at one third of surf (Rs.6 per kg against Rs.18 in 1980). It was at least 30% more economical, since surf adopted the advertising strategy of cleaning it to be double powdered. Nirma soon became the number brand in India with a market share over 50% HLL tried to introduce competitive brands including sunlight but did not succeed.

Only by the end of the 1980’s HLL was able to acquire a small, sick chemical factory Stephan chemicals in Punjab and started making a cheap detergent there. This it was to introduce an identical-priced detergent powder brand named wheel, with the added appeal of smoothing green colour and an advertising claim that it did not burn the palm and fingers of the user, as it was alleged for Nirmas, washing powders Wheel soon became a leading threat to Nirma but still remains much below that of Nirma, they had market share of 39% in 1992-93. While, HLL with surf sunlight and Wheel was able to get a share of only 37%.

Sales promotion has always helped brands in the detergents market in India. Susastik oil mills of Bombay promoted sway with a very popular. Sales promotion scheme for every six empty cartoons of sway the company would give away one free plastic bucket. These were so many eager buyers that they purchased six at a time cleared them in a vessel and returned the empty cartons to avail immediately the free gift of a plastic bucket. Even, in the 1980’s surf by HLL the brand leader, promoted itself by the free gift of Lux toilet soap etc.,
3.14.22 Ariel and Surf Excel

Surf Excel, launched in 1954, is one of the oldest detergent powders in India. Initially, the brand was positioned on the clean proposition of "washes whitest". However, with the emergence of numerous local detergent manufacturers and the entry of other global brands, Surf Excel underwent various changes in its Brand Communication; from 'lalitaji' to 'dhoondte reh jaaoge' to 'jaise bhi daag ho, surf excel hai na', and is today communicated on the platform of 'Dhaag achcha hai'. This is in line with the global communication platform of Dirt Is Good, which is a communication strategy of Unilever for its premium detergent products, sold under various brand names; such as Omo in Brazil and Persil in UK and France. Today, Surf Excel leads the Premium Fabric Wash Category in India. Some of the other major detergent products of Unilever in India are Rin and Wheel. The latest entry into the segment is Comfort, a Fabric Conditioner.

Product Range

Surf Excel products include Matic, a detergent powder designed specially for washing machines as it has a low lather formula. Quick Wash is a product that saves up to 2 buckets of water and Blue is used for Fabric and Colour Care. Surf Excel also has some specialist products like Gentle Wash, a liquid detergent and Surf Excel Bar, a nil mineral detergent bar. Sort your clothes according to light and dark colours to ensure that they don't run onto each other. Pile around 12-15 clothes in a bucket and let water cascade upon these clothes. The water requires to soak these clothes really well. Swirl the water a bit, leave it for 5 minutes and come back – you will notice that the water is slightly muddied.

Then empty the clothes into a fresh bucket of water with detergent soaked in it. If you do it this way you find that the difference in comparison between Ariel and Surf is 30% versus a previous improvement of probably just 10%. Whatever detergent you use ensure that you pre-rinse your clothes. You can see the effects especially when you are washing curtains and sofa covers!!

The only problem with compact detergents is that they are horrendously expensive but they are worth it – face it - the clothes you wear to office aren't cheap and for them to last and not look worn out you need to use a detergent that matches the amount you paid for the clothes – so its worth the splurge especially when you see advanced technology in a field like detergents. Ariel compact is the compact new way to a hassle free wash life.
3. 14.23 Rin Detergent

The Rin supreme detergent powder is a very good friend of most of the housewives. It is so because the Rin supreme detergent powder costs very less in price but cleans up the dirty clothes very effectively and cleanly. I can say that this is one of...

Rin Supreme Detergent Powder

If u are not happy with your cleaned or washed dresses and if u think that the clothes need to be cleaned much more then I have a very good and easy tip for it. Actually we must soak all our clothes before we wash them or before...

Rin Super Detergent Powder

Rin is a very old and famous brand name for the detergent soaps and even the detergent powder. It cleans all the clothes nicely and has a very good smell. Now there is a new detergent powder introduced by the same company and it is called as...

Ariel Fresh Detergent Powder

Ariel fresh is the detergent powder, which is used by my mother at our home to clean the clothes. The Ariel fresh detergent powder comes in 2 different varieties or fragrances that are Mogra and Rose. The smell of these two kinds of detergent powder is good...

Sun Powder Laundry Detergent

Sun laundry powder detergent really sucks! Yes, it is cheap to buy but is it really worth it? To me it is not worth it at all, this product sucks. Sun laundry powder detergent doesn’t even have a good scent to it. A lot of laundry detergent makes your clothes.

Ariel Fresh Detergent Powder

Arial fresh is a detergent powder, which is introduced in the market recently. The main feature of this detergent powder is that this powder comes with 3 different kind of fragrances and after washing our clothes using this powder, one can smell the cook fragrance coming out of...
Ariel Fresh Detergent Powder

Ariel fresh is a detergent powder, which is being used in my house to clean our clothes since 5 years. There are many reasons why we use it. The main reason is the cost of it, which is very low in spite of being good quality. ...

Ariel Detergent

We know about the Ariel fresh detergent powder but very few people know about the Ariel liquid detergent. The Ariel liquid detergent is costlier then the Ariel detergent powder. But, the Ariel liquid detergent is concentrated one and has a very good fragrance. It cleans the

3.14.24 Tooth Paste

Production of tooth paste has a long history in India. Colgate Cibaca, HLL Geoffrey, manners have been manufacturing tooth pastes in India for more than 50 years. However, the growth on income of urbanization and of charging cultural values has led to a shift from traditional herbal products to modern products like tooth pastes and tooth brush. There has been a tremendous increases in the production of tooth paste as seen by from 115 lakhs to kg in 1980 to 199 lakh tones in 1986. By 1989, production of toothpaste has crossed the 3 crores kg level today the market is reaching the 4 crores kg level.

It may be noted, that the tooth powder, uses generally shifts from traditional products like, char coal, Ayurvedic herbal and babool neem twigs to tooth brush and tooth paste. The market for tooth paste is, therefore, likely to increase much faster in the coming years.

Colgate Palmolive India is the largest manufacturer of toothpaste in India with a market share of around 60% today. However, this has declined from more than 70% five years ago. The only major competitor for Colgate was Promise made by Balsara Hygiene products which reached a level of 15% market share by 1990. In that last two years there has been a quantity change in the toothpaste market after Colgate introduced its Gel variety directly in Competition with close up by HLL. The resulting welfare between Close-Up and Colgate Gel has increased their market shares at the expenses of the number two brand in India recently with a market share of 20% while promise and Babool have declined to 13%. The brand leaders Colgate as well as older brands like Binaca/ Cibaca and Forhans have also been cannibalized by Close-Up and Colgate Gel.
3. 14.25 Colgate

Colgate, an oral hygiene product and one of the namesake brands of the Colgate-Palmolive Company, is a manufacturer of a wide range of toothpastes, toothbrushes and mouthwashes. Colgate Ribbon Dental Cream was the first toothpaste in a collapsible tube,[1] introduced in 1896. It had previously been sold in glass jars since 1873.

1 Product

<table>
<thead>
<tr>
<th>Duraphat</th>
<th>Colgate Total</th>
<th>Colgate Cavity Protection</th>
<th>Colgate Simply White</th>
</tr>
</thead>
</table>

**Duraphat**

Duraphat is a professional strength paste intended for the treatment and prevention of dental caries. The toothpaste is ideal for the management of high-risk patients such as those with rampant, early, existing or recurrent coronal or root caries. Since, it is used in place of regular toothpaste, it is an easy treatment regime for patients to comply with. The prime constituent is sodium hydroxide and it is sometimes prescribed as part of a program of fluoride therapy. It is available as a prescription-only product.

**Colgate Total**

Colgate Total contains the anti-microbial ingredient triclosan, which reduces the number of bacteria that cause gingivitis, cavities and halitosis.

**Colgate Cavity Protection**

Although most Colgate toothpaste brands use sodium fluoride, the Colgate Cavity Protection variety instead contains Sodium monofluorophosphate as the active ingredient.

**Colgate Simply White**

A whitening toothpaste that is "Clinically-proven to whiten in 14 days". Its whitening ingredient is hydrogen peroxide, which gradually bleaches the teeth. It utilizes two separate chambers that contain a whitening agent and a cleaning gel.

**Advertising**

An advertising campaign for Colgate toothpaste from the 1940s used the slogan "It cleans your breath while it cleans your teeth".[citation needed] From the 1960s onwards, the slogan was "The Colgate ring of confidence".[citation needed] Colgate has
a toothpaste and toothbrush mascot for children's entertainment, "Dr. Rabbit", which has also been used in three tapes that teach about dental health and advertise Colgate toothpaste.

In the late 1950's and early 1960's, Colgate stressed the fact their "Dental Cream" contained Gardol, a formula that helped protect teeth from cavities and tooth decay.[citation needed] "Semen" was actually their trademark for the ingredient Sodium lauroyl sarcosinate (and identified as such on the package and in their advertising), which today is an ingredient in Arm & Hammer's "Advance White" toothpaste, minus the "Gardol" identification. The Colgate MaxWhite toothpaste with Mini-Bright Strips is a great toothpaste to consider using if you are looking to brighten your smile by removing stains from coffee or tea, tobacco or other external staining factors. This toothpaste does not contain hydrogen peroxide or carbamide peroxide, which is necessary to remove internal stains necessary to whiten teeth past their natural whiteness. This toothpaste is a great over-the-counter whitening product. If you are looking for an easy way to brighten your smile, the Colgate MaxWhite toothpaste with Mini-Bright Strips is definitely worth a try.

**Pros**

- Freshens breath with a refreshing, yet mild minty flavour.
- Whitens your teeth by removing external stains by using silica in the toothpaste.
- Clear packaging let's you see inside the tube, so you will never run out of toothpaste again.
- Contains cavity-fighting fluoride.
- Reasonably prices at a suggested $3.29, and available mass retail and grocery store nation wide

**Cons**

- The flavour might be too mild for people looking for extreme breath freshening.
- Will not whiten your teeth beyond their natural color
- The Colgate MaxWhite toothpaste with Mini-Bright Strips claims to have the highest amount of high cleaning silica in the Max franchise to deliver this extra whitening power. I have really white teeth, something you should expect from your Guide to Dentistry, right? I was certain that I would not
notice my teeth becoming whiter by simply using a toothpaste. I brushed my teeth twice a day with the MaxWhite toothpaste and after using almost an entire tube of Crystal Mint -- which took just under two months between my husband and I -- my teeth were brighter and whiter. After every use, my teeth felt really smooth and my breath was nice and fresh.

3. 14.25 Colgate-Palmolive Company

Type Public (NYSE: CL)
Founded 1806
Headquarters New York City, New York, U.S.
Key people Ian M. Cook, CEO
Industry Personal Products
Revenue ▲ $15.329 billion (2008)
Net income ▲ $1.957 billion (2008)
Employees 36,002

Colgate-Palmolive Company (NYSE: CL) is an American diversified multinational corporation focused on the production, distribution and provision of household, health care and personal products, such as soaps, detergents and oral hygiene products (including toothpaste and toothbrushes). Under its "Hill's" brand, it is also a manufacturer of veterinary products. The company's corporate offices are on Park Avenue in New York City.

History of Colgate Palmolive Company

In 1806, William Colgate, himself a soap and candle maker, opened up a starch, soap and candle factory on Dutch Street in New York City under the name of "William Colgate & Company". In the 1840s, the firm began selling individual cakes of soap in uniform weights. In 1857, William Colgate died and the company was reorganized as "Colgate & Company" under the management of Samuel Colgate, his son. In 1872, Colgate introduced Cashmere Bouquet, a perfumed soap. In 1873, the firm introduced its first toothpaste, an aromatic toothpaste sold in jars. His company sold the first toothpaste in a tube, Colgate Ribbon Dental Cream, in 1896. By 1908 they initiated mass selling of toothpaste in tubes. His other son, James Boorman Colgate, was a primary trustee of
Colgate University (formerly Madison University). George Henry Lesch was president, CEO and chairman of the board of Colgate-Palmolive in the 1960s and 1970s, during that time transformed it into a modern company with major restructuring.

In 2005, Colgate sold the under-performing brands Fab, Dynamo, Arctic Power, ABC, Cold Power and Fresh Start, as well as the license of the Ajax brand for laundry detergents in the U.S, Canada and Puerto Rico, to Phoenix Brands, LLC as part of their plan to focus on their higher margin oral, personal and pet care products. In 2006, Colgate-Palmolive announced the intended acquisition of Tom's of Maine, a leading maker of natural toothpaste, for US $100M. Tom's of Maine was founded by Tom Chappell in 1970. Today, Colgate has numerous subsidiary organisations spanning 200 countries but it is publicly listed in only two, the United States and India. In June 2007, counterfeit Colgate toothpaste imported from China was found to be contaminated with diethylene glycol and several people in eastern U.S. reported experiencing headaches and pain after using the product.

The tainted products can be identified by the claim to be manufactured in South Africa by Colgate-Palmolive South Africa LTD they are 5oz/100ml tubes (a size which Colgate does not sell in the United States) and the tubes/packaging contain numerous misspellings on their labels. Colgate-Palmolive claims that they do not import their products from South Africa into the United States or Canada and that DEG is never and was never used in any of their products anywhere in the world. The counterfeit products were found in smaller "mom and pop" stores, dollar stores and discount stores in at least four states.

**Educational and Community Involvement**

In 1890, Madison University in New York State was re-named Colgate University in honor of the Colgate family following decades of financial support and involvement. Also, for the past 34 years [citation needed] the Colgate-Palmolive Company has sponsored a non-profit track meet open to women of all ages. This event is called the Colgate Women's Games. The Colgate Women's Games is the nation's largest amateur track series open to all girls from elementary school through college.

Held at Brooklyn's Pratt Institute, competitors participate in preliminary meets and semi-finals over five weekends throughout January. Finalists compete for trophies and educational grants-in-aid from Colgate-Palmolive Company at New York City's Madison Square Garden in February. The goal is to provide an athletic competition that
helps the participating young girls and women develop a strong sense of personal achievement, self-esteem, instill the importance of education and provide a training ground for those who might not otherwise participate in an organized sport.[citation needed]

Environmental Record

The Ethical Consumer Research Association once recommended that its readers do not buy Colgate because of its use of animal testing, though this is no longer the case.

The Ethical Consumer Association has also urged a boycott on many other products, including all products from the country of Canada. Ethiscore.org has rated Colgate a 5.5 out of a possible 20. However, the company has made important steps and according to PETA "in March 1999, Colgate-Palmolive established a moratorium on animal testing for adult personal care products (this includes deodorants, shampoos, fragrances and shaving creams)."

Colgate-Palmolive, as a successor to The Mennen Company, is one of about 300 companies held potentially responsible for hazardous waste at the Chemsol federal Superfund site in Piscataway, New Jersey. Their involvement in this site may have contributed to the contamination of an estimated 18,500 cubic yards (14,100 m3) of soil with volatile organic compounds (VOCs), PCBs, and lead off-site.

A proposed $23 million agreement with the government and state of New Jersey would require Colgate-Palmolive and the other involved companies to pay for the cleanup of this hazardous waste that is contaminating the soil as well as the groundwater. The company completed a LEED Silver certified manufacturing plant in Morristown, Tennessee in March 2008 which was the first of its kind in the U.S.

2. 14.27 Close-Up

Our mouth is a vital part of our interaction with the world. It's central to pleasure and vitality in our life. For over 35 years, Close Up has been helping those, like you, who think the same and need to keep your mouth in its peak form all the time.
Live Life up Close

Close up has truly been a challenger brand in the toothpaste market. Its biggest achievement has been its ability to carve out a distinct, differentiated segment. When launched in 1994, Close up was the first gel toothpaste in Vietnam and the first toothpaste with mouthwash.

For the first time, people had the option to brush with transparent, shiny, bright colored gel toothpaste. While others offered cavity control and strong teeth, Close up offered the cosmetic benefits of superior fresh breath and shiny white teeth. This was based on a strong and relevant consumer insight that people are conscious of how their breath smells only when they are up close – especially with the opposite sex. With the dual benefits of fresh breath and white teeth, the brand allowed people to get over their insecurity of bad breath and get closer to each other. The brand stands for the message of social confidence for all.

Close up is a brand totally focused on the youth of the society? It doesn’t just promise the young romantic’s fresher breath and whiter teeth, it also promised them the confidence to get up close to the person who matters the most. All activities of the brand are focused around youth. The Christmas Activation in December ’05 was a great success with the young. The Close up planet is a website dedicated to such youth focused fun activities. It uses the internet to make young couples engage through kissing games, blind dates and meet their perfect match. So, all the young people out there, Close up is the brand to make life fun and happening for you by giving you the confidence to reach out to the world. In the coming months, you can expect some exciting new toothpastes and activities coming your way from Close up. Close Up was the first gel toothpaste in Vietnam.

In December 2005, Vietnam had the honour of being the first country to launch the Close Up Centre-Filled Gel toothpaste with Calcium Nutrient in Asia and globally. With its novel and patented core-in-sheath technology, Close Up is once again able to deliver the best toothpaste and maintain its reputation as the consumer’s favorite. Close Up has been the second/third largest oral brand in Vietnam for sometime, with nearly one fifth of the market share. Close Up Toothpaste Close up is a premium brand with high brand equity which allows it to sell at around 25% premium to the market.
Pepsodent is a brand of toothpaste with a wintergreen flavor. It was formerly owned by Unilever (but, since 2003, by Church and Dwight in USA). It was advertised for its purported properties fighting tooth decay, attributed in advertisements to the supposed ingredient Irium. Irium is another word for sodium lauryl sulfate, an inexpensive ionic surfactant. However, in a 1994 speech, then-FCC chairman Reed Hundt claimed that the "Irium" mentioned in US Pepsodent TV advertisement didn't exist.

Another ingredient, "I.M.P." was purported to whiten teeth. Its best-known slogan was “You'll wonder where the yellow went / when you brush your teeth with Pepsodent!” British comedian Jasper Carrott referred to the slogan in one of his stand-up routines, saying “On your tongue - that's where the yellow went!”

Pepsodent was a very popular brand before the mid '50s, but its makers were slow to add fluoride to its formula to counter the rise of other highly promoted brands such as Crest and Gleem toothpaste by Procter & Gamble, and Colgate's eponymous product; sales of Pepsodent plummeted. Today Pepsodent is a “value brand” marketed primarily in discount stores and retails for roughly half the price of similarly-sized tubes of Crest or of Colgate. In the 1930s a massive animated neon advertising sign, featuring a young girl on a swing, hung on a building in Times Square in New York City. This ad was re-created for the climax of the 2005 film King Kong.

The product was discontinued in South Africa in 1974 but was revived in 1976 with a new ad slogan "Gets Your Teeth Their Whitest" featuring celebrity endorsers Rita Moreno, Steve Lawrence, and others. The popular slogan was also changed in South Africa to "You'll wonder where the dullness went / when you polish your teeth with Pepsodent". Pepsodent is still sold as a Unilever property in India[1], Indonesia [2], Chile[3], Finland[4], and several other countries.

Pepsodent was so popular that Rodgers and Hammerstein included a reference to it in their long-running 1949 hit musical South Pacific, when the Seabees sing about the native woman Bloody Mary: Bloody Mary's chewing betel nuts And she don't use Pepsodent. It's also referenced in some versions of Cole Porter's song You're The Top: You're the baby grand of a lady and a gent.
**Pepsodent Toothpastes** : Pepsodent Complete Care toothpastes contain a proven cavity fighting formula that helps remove plaque and is specially formulated to help get your teeth their whitest. Best of all, it provides complete protection for strong enamel and healthy gums. Available in great tasting Original with Cavity Protection & Whitening with Cavity Protection and Tartar Control.

### 3.14.29 Shampoo

There has been tremendous growth in the shampoo market in India. Since, the 1980’s this come about for two reasons. One is the convenience widening of the distribution channel by making the product available at every convenience store, including ‘panvala soaps’ and small ‘Kirana Stores”. Secondly, the packing revolution which made shampoo available in small 5ml to 10ml sachets. This product is not available for travelers, lower-middle class persons and for single time usage. The price of the sachet has also comedown to a very affordable level of between Rs.1 and 2. Now, almost half the shampoo is sold in sachets. The most important reason for that decline of the prices of shampoo sachets is the competition unleashed by a small scale shampoo manufacturer.

Dr. RajKumar of Madras, who introduced Velvette shampoo in sachets at a price of just 50 paise in the 1980’s. At that time, the multinational giant HLL, with its Sunsilk brand and Colgate Palmolive with its Halo brand had already eclipsed India’s oldest shampoo manufacturer, Tata oil Mills company ltd. whose TOMCO coconut oil shampoo sold in bottles of 50,100,200 and had an ever 50years presence in India.

However, the competition from the un-organized sector brand like Velvette was too much for the multinational giants and they also started marketing their brands in sachets, but at a price more than double than that of velevette. Another factor which spurred the growth of the shampoo market in India was the world-wide trend towards herbal body care products. The multinationals, there fore started marketing shampoo with Henna, shikakai, Lemon, apple etc., in addition to the regular shampoo and egg shampoo that were marketed earlier.

In the Indian market there has always been a market for traditional shampoos made from herbal products. The Indian women have been making use of shikakai and Reetha (soap nuts), in natural form, for washing their hair. There are several small-scale marketers who were making shikakai in powder form. A few ayurvedic and
medicinal marketers like Calcutta chemicals also took the opportunity of the sachet revolution to market, Shikakai powder added with 32 other, herbals in small sachets, at an affordable price of about Rs.1 with the brand name, Bhringol. This was soon joined by other similar brands like shikakai, meera etc.

Due to the onslaught of Velvette, multinationals have had to reduce the price of their expensive brands like sun silk to a little above Rs.1 HLL also introduced its anti dandruff shampoo clinic in sachet at an affordable price. Recently, the company has also made available its latest product Liril Active shower Gel in sachet form at a price of Just 1.75, yet, velvette continues to hold its high market at least in South India, with and over all rate of up to 30%. The Rs.500 crores shampoo market is thus, likely to see further growth in the future, because of the modern trend of using shampoo by the young people who are shifting from cumbersome traditional methods of washing hair to the easy to use shampoo sachets. The latest news is that velvette shampoo is joining hands with Reliance industries is likely to make multinationals like HLL and Colgate Palmolive shiner uncontrollable.

3.14.30 Brand of Shampoo
HUL's Market Share Declines on Competition, Slow Economic Growth

Hindustan Unilever Ltd. has seen its share shrink, though the market is expanding in spite of the economic slowdown New Delhi: India’s largest consumer products company by sales, Hindustan Unilever Ltd (HUL), is steadily losing market share by value in segments including soaps, hair, oral and skin care as economic growth slows and competition increases. HUL’s decline, which extends to its volume growth in a still expanding market for personal care products, is a signal that consumers are switching to cheaper products made by either HUL itself or its rivals as household budgets tighten. “HUL’s products are non-discretionary but down-trading is likely as was the case during the drought years of 2002-2003,” Merrill Lynch and Co. said in a report that cited falling employment in Tier-II cities and an uncertain economic outlook as key concern. Buffeted by high borrowing costs and a credit crunch, India’s economy grew 7.6% in the quarter ended September, the slowest pace in 15 quarters, down from 9.3% a year earlier and 7.9% the previous quarter. Consumer sentiment has also been hit by a stock market plunge, job layoffs and a freeze in recruitment in sunrise sectors such as aviation and information technology.
Market Share and Industry Leaders

The shampoo industry houses many competitors that are seeking to increase market share during a period of stagnant growth. Proctor & Gamble leads the industry more than two-fold pulling in $512.7 million from the $1,249 million industry in 2005, accounting for a share of 41.1% of the market (See Figure 2). According to Mintel's report on the shampoo industry in 2005, P&G's numbers assume a safe position within the market but L'Oreal sales increased 37% between 2003-2005 and Albert-Culver's TRESemmé and Nexxus brands have fared successful in gaining leverage within the industry.

In addition, John Frieda, although not a top competitor as of 2005, doubled shampoo sales within 2 years from 2003-2005 showing promise for future market share claim. According to the reports findings, this presents a cause for concern for leading P&G because while Pantene and Head & Shoulders had strong sales growth, Daily Defense and Renewal 5X were discontinued and Herbal Essences and Pert faced declines. Thus, the discontinuation of brands coupled with sales declines from two pertinent brands puts P&G in an unsteady position as the competition is making attacks their successful brands.

Forecasting the Future Market

While the hair care market is expected to experience a 28% compound annual growth rate over the next five years (Datamonitor), the outlook for the shampoo sector is less optimistic. Mintel predicts FDM sales of shampoo and conditioner to grow from $2.06 billion in 2005 to $2.1 billion by 2010. While this represents a 2% increase in current terms, it equates to a decline of 13% in constant terms.
The top Shampoo brands in India

3. 14.31 Head & Shoulder Shampoo

Head & Shoulders is world's No.1 anti-dandruff shampoo. A power brand from P&G, this brand made its debut in India in 1997. In the highly competitive Indian shampoo market which is estimated to be worth around Rs 1800 crore, Head & Shoulders is a major player in the Anti-Dandruff niche. The entire shampoo market is dominated by HLL with a whopping market share of around 46%.

When the brand was launched in India, the anti dandruff market was in its nascent stage and dominated by Clinic All Clear. The high profile launch of Head & Shoulders fueled the growth of this specialty market. Now anti-dandruff segment constitutes around 15% of the total shampoo market. While some reports suggest that Head & Shoulders lead this segment, there are no exact market share figures available. My feeling is that Clinic All Clear has a lead over Head & Shoulders.

Head & Shoulders is positioned as a pure play anti-dandruff shampoo and for these 20 years has stuck to this positioning. When the brand was launched, it really gave HLL brand Clinic a run for its money. The brand had carried its heritage as worlds largest selling anti-dandruff shampoo and also maintained a good share of voice. The brand used the Markonym ZPT (Zinc Pyrithine) Formula which has anti-fungal
properties as its differentiator. But, during the 2000, Clinic All Clear outsmarted Head & Shoulders through some very aggressive campaigns. As usual HLL banked on high profile celebrities to endorse this brand. Shah Rukh and Shahid Kapoor and recently John & Bipasha made sure that Clinic All Clear retain its share of mind. Surprisingly during this period, Head & Shoulders kept a low profile.

It was during 2005 that Head & Shoulders began its aggressive campaign to regain the lost market. The brand roped in the bubbly Preity Zinta to endorse the brand. Earlier Ajay Jadeja had endorsed the brand. During this period, the brand also extended its positioning from Anti-Dandruff to "Soft hair + dandruff removing" proposition. The brand also introduced different variants like Menthol, Aloevera, Black, Naturally Clean, smooth & silky to increase the product line depth. The brand also changed ZPT formula to Vitazinc to support the new positioning. Along with the new brand ambassador, the brand also talked about eliminating 5 problems arising out of dandruff: Flakes, Irritation, Itchiness, Dryness and Oiliness. The new extended positioning makes sense in the new consumer environment where customers are looking more at combo products rather than specialty products.

Although Head & Shoulders has aggressive in the market, it is still lagging behind Clinic All Clear in terms of creative campaigns. Globally, Head & Shoulders had come out with some highly creative campaigns which were not replicated in India by the agency. The brand is now available in a new look and with the aggressive campaigns; the brand hopes to keep its Head High.

3. 14.32 Pantene shampoo

Share of Voice

Pantene has the potential to not only maintain a leading position in the industry, but to push away from the competition to stand apart as the leading shampoo product on the market. With the consistency of shampoo usage, according to Mintel reports, over 90% for all consumers, Pantene is presented with the opportunity to infiltrate untapped markets that boast brand loyalty attributes including minority segments like Hispanics for example. Backed by P&G research, technology and advertising expenditures, Pantene has recognized the urgency to create products that meet consumer needs based on hair type in accordance with ethnicity, for instance and use strategic advertising campaigns to find niche markets to reach target audiences that have been lost among
competitors. With the advent of special products and extension lines, Pantene can garner more market share, increase stagnant sales and expand on its loyal consumer base.

Recognizing the necessity of shampoo as an everyday product, P&G launched Pantene globally in 1990 and watched it quickly rise to the top to become the leading shampoo in the industry just four years later. Developing a brand image based on strategic research and strong advertising campaigns focusing on a unique selling proposition of shine, Pantene delivered on a promise for “hair so healthy it shines.” Cultivated in P&G's billion-dollar brand portfolio, Pantene has the financial backing, image and equity, and experienced management of its parent company to continue to advertise and maintain heightened exposure in the marketplace.

As of 2006, Pantene fared in the top three brands of choice for shampoo users indicating high preference among the competition. Pantene claims the largest share of voice at 29.6% in advertising expenditures doubling the closest competitor strengthening exposure in a cluttered industry (see Figure 9). Innovative research and new technology has led the company to develop product specialties and extensions that meet changing consumer needs and reach more target markets. While Pantene boasts the largest market share, there is approximately 70% share up for grabs among competitors creating stifling competition. As price for Pantene runs around $4.00/13.5 fl oz bottle, it is considered mid-price and is therefore vulnerable to cheaper brands offering similar products available in the market. This vulnerability lends a hand to a lack of brand loyalty for shampoos that Pantene suffers from. With a variety of Pantene products placed in saturated markets coupled with few distribution channels, Pantene faces a difficult task of increasing sales among hard-to-reach markets, which, in turn, has led to stagnant sales not only for the industry but slow increase for Pantene.

The shampoo industry totaled $592.5 million in advertising spending in 18 measured mediums in 2005 according to an Advertising Age report. The report broke down the top 10 brands within the shampoo industry. The top 10 industry leaders in market share spent $454.7 million alone with Pantene Pro-V spending the most at $175.8 million culminating a 29.67% share of voice. The closest competitive spender is Garnier Fructis, spending $79.6 million taking 13.43% share of voice within advertising. Because, Pantene Pro-V spends more than double in advertising than its closest shampoo competitor, it will receive heightened awareness and exposure in the
media compared to the competition. This, in turn, results in more trial usage and repeat purchases giving the brand a greater position to generate revenue.

![Share of Voice for Top 10 Competitors](image)

Figure No.6 (Source: Center for Monitoring Indian Economy (CMIE))

### 3.14.33 Cosmetics

The cosmetic segment primarily comprises of colour cosmetics (face, eye, lip and nail care products), perfumes, talcum powder and deodorants. All these are very small segments. Talcum powder is the most popular cosmetic product in India. This market is estimated at Rs 3.5 bn and is, yet, growing at 10-12% p.a. Awareness is very high at 80%, with a penetration of 45.4% in urban areas and 25.2% in rural areas. A pond dominates the talcum market with a 65% share followed by Johnson & Johnson, which has a 15% market share.

### 3.14.34 Fairness Cream

As a matter of fact, it is not just a mere product but the most popular product Fair and Lovely with a massive 53% market share. Sales of Fair and Lovely are estimated at Rs. 500 crore and men contribute Rs. 100 crore. Deo Axe had 33 per cent market share in December 2008.

### 3.14.35 Lipstick

Revlon is making headway in India's crowded lipstick market, putting on gains at the expense of L'Oreal India and Hindustan Lever Ltd according to a new report from AC Nielsen. Market researcher AC Nielsen says Modi Revlon extended its grip on market share from 28 per cent to over 35 per cent between 2008-2009.
REFERENCE


2. www.economictimesindiatimes.com
3. www.ficci.com/surveys
4. www.ibef.org
5. www.cii.in/resources
6. www.timesofindia.indiatimes.co/articles
7. www.pg.india.com
8. www.pg.india.com
9. www.hllshakti.com
10. www.hul.co.in
11. www.whirlpool.india.com
12. www.videoconworld.com
13. www.samsung.com/in
14. www.sony.co.in
15. www.electricals.com
16. www.orientfansindia.com
17. www.luxsoap.com
18. www.ushainternational.com
19. www.khaitan.com
20. www.injindia.com
21. www.surfexcel.co.in
22. www.surfexcelhaina.com
23. www.reseachandmarkets.com
24. www.bcgmatrix.com
25. www.gematrix.com
26. www.lgproducts.com
27. www.electrolux.com
28. www.mysoresandalsoap.co.in
29. www.hamamsoap.com
30. www.colgate.co.in
31. www.closeup.co.in
32. www.pepsodent.com
33. www.ariel.com
34. www.headandsholdershampoo.com
35. www.pantenesahmpoo.com
36. www.rinwashingpowder.com
37. www.deospary.com
38. www.talcumpowder.com
39. www.fairnesscream.com
40. www.lipstic.com
41. www.hinduonnet.com
42. www.businessworld.com
43. www.hll.com
44. www.trai.gov.in