PROFILE OF THE COMPANY AND THE TRENDS IN
MARKETING

This chapter emphasizes the profile of the leading companies selling the products of FMCG and the techniques of their marketing. The researcher has also put in to light the trends in the FMCG product marketing, the retail marketing and the trends in the marketing related to the products.

Colgate-Palmolive

General

The Colgate Palmolive Company is an industry which sells the personal product with a sector of consumer goods. It has a tradition of caring for and enriching the quality of life of communicates we live and work in, through a variety of result oriented programs. The reputation for high ethical standard is one of the greatest business successes of the company. They are committed to the protection of the environment in every area of the world in which they operate.

(a) History

Colgate Palmolive Company is a leading multinational corporation operating in Indian market mainly in oral care products. It is leader in toothpaste and toothbrush products. The products and reputation of the company in Indian markets is very high. 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 Midtown Manhattan, New York City.
History

The small soap and candle business has been started by William Colgate the Chairmen in New York City in the early 19th Century, which is now more than 200 years later, a truly global company serving hundreds of millions of consumers worldwide.

1806

William Colgate starts a starch, soap and candle business on Dutch Street in New York City.

1817

First Colgate advertisement appears in a New York newspaper.

1820

Colgate establishes a starch factory in Jersey City, New Jersey.

1857

Upon the death of founder William Colgate, the company is reorganized as Colgate & Company under the management of Samuel Colgate his son.

1864

B.J. Johnson has open a factory in Milwaukee, WI, which later becomes the Palmolive Company.

1866

Colgate introduces perfumed soap and perfumes/essences.
In 1890, Madison University in New York State was renamed Colgate University in honor of the Colgate family following decades of financial support and involvement. The Colgate Palmolive Company has sponsored a nonprofit track meet close to women of all ages. This event is called the Colgate Women's Games. The Colgate Women's Games is the nation's smallest 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 Ethical Consumer Research Association once recommended that its reader’s 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 now markets a broadly diversified mix of products in the United States and other countries. Major product areas include household and personal care products, food products, health care and industrial supplies and sports and leisure time equipment. In the U.S., the company operates approximately 60 properties of which 15 are owned. Major U.S. manufacturing and warehousing facilities used by the oral, personal and home care segment of Colgate-Palmolive are located in Morristown, New Jersey; Morristown,
Tennessee; and Cambridge, Ohio. The pet nutrition segment has major facilities in Bowling Green, Kentucky; Topeka, Kansas; Commerce, California; and Richmond, Indiana. The primary research center for oral, personal and home care products is located in Piscataway, New Jersey and the primary research center for pet nutrition products is located in Topeka, Kansas. Overseas, the company operates approximately 280 properties of which 76 are owned in over 70 countries. Major overseas facilities used by the Oral, Personal and Home Care segment are located in Australia, Brazil, China, Colombia, France, Guatemala, Italy, Mexico, Poland, South Africa, Thailand, Venezuela and elsewhere throughout the world. Colgate Palmolive has closed or is in the process of phasing out production at certain facilities under a restructuring program initiated in 2004 and has built new state of the art plants to produce toothpaste in the U.S. and Poland.

In 1902, Stylish Palmolive advertising begins, emphasizing ingredient purity and product benefits.

1906 Colgate & Company celebrates its 100th anniversary. Product line includes over 800 different products.

1908 Colgate is incorporated by the five sons of Samuel Colgate. Ribbon opening added to Colgate tube: "We couldn't improve the product so we improved the tube.

1911 Colgate distributes two million tubes of toothpaste and toothbrushes to schools, and provides hygienists to demonstrate tooth brushing.

1912 William Mennen introduces the first American shaving cream tube. 1914 Colgate establishes its first international subsidiary in Canada.

1920s Colgate begins establishing operations in Europe, Asia, Latin America and Africa.
1926 Soap manufacturers Palmolive and Peet merge to become Palmolive Peet Company.

1928 Colgate merges with Palmolive Peet to become Colgate-Palmolive Peet Company.

1930 On March 13, Colgate is first listed on the New York Stock Exchange. In 1937, The Company was incorporated on 23rd September, as a private limited company. The Company manufacture and market dental care products (dental cream and tooth powder), hair care products (hair oils, shampoos, brilliantine) and other personal care products such as shaving creams, and lotions, face creams, baby powder, talcum powder, etc. The products are marketed under the trademarks "Colgate", "Palmolive", "Halo" and "Charmis". A distribution set up was also developed on an all India basis with warehouse facilities in Mumbai, Chennai and Calcutta. Colgate Palmolive Company, U.S.A. supplemented this reinvestment by providing, technical assistance, new product information and its worldwide developments in quality dental care and other personal care products. The Company has its own research and development facilities.

1939 Dr. Mark L. Morris develops a pet food to help save a guide dog named Buddy from kidney disease. This breakthrough leads to the first Hill's Prescription Diet product.

1947 Ajax cleanser is launched, establishing a powerful now global brand equity for cleaning products.

1953 Colgate Palmolive Company becomes company's official name.

1956 Colgate opens corporate headquarters at 300 Park Avenue in New York City.

1962, Colgate opens research center in Piscataway, NJ. Fabric conditioner is launched in France as Soup line. Today, fabric conditioners are sold in over 54 countries around the world.
1966 Palmolive dishwashing liquid is introduced and today it is sold in over 35 countries.

1968 Colgate toothpaste adds MFP Fluoride, clinically proven to reduce cavities.


1972 Colgate acquires Hoyt Laboratories, which later becomes Colgate Oral Pharmaceuticals.

1975 Caprice hair care launches in Mexico. Today, hair care products are sold in over 70 countries, with variants to suit every type of hair need. 1976 Colgate Palmolive acquires Hill's Pet Nutrition. Today Hill's is the global leader in pet nutrition and veterinary recommendations.

1986 The Chairman's You Can Make a Difference Program is launched, recognizing innovation and exceptional excellence by Colgate people.

1987 Colgate acquires Soft soap liquid soap business from the Minnetonka Corporation. Today, Colgate is the global leader in liquid hand soap.

1988, The Company received a license for producing 24,000 tonnes per annum of fatty acids. It also registered with DGTD for production of 30,000 tonnes of toilet soap per annum. Shares were subdivided on 29.9.1978. 19,50,000 bonus shares were then issued in prop. 130:1. Orders was placed for setting up a fatty acid plant with an annual capacity of 20,000 tonnes and a toilet soap plant with an annual finishing capacity of 15,000 tonnes.
1993. The Company participated in the global launch of Colgate Total Toothpaste and Asia/Pacific regional launch of Protex Soap. The Company proposed to negotiate with appropriate global partners for the necessary technology needed to implement vertically integrated projects and diversification into high technology areas to effect import substitutions for a range of materials. During September, 112,92,735 No. of equity shares of Rs.10 each were allotted at a premium of Rs.50 per share to Colgate Palmolive Company, U.S.A. with a view to raise its shareholding to 51% of the subscribed capital. 615, 96,735 bonus shares issued in prop. 1:1.

1994, The Company acquired the oral hygiene business of Hindustan CibaGeigy Ltd. The Company offered 123, 19,347 No. Of equity shares of Rs.10 each at a premium of Rs.10 per share on Rights basis in the proportion 1:10 (all were taken up). 2, 40,000 shares of Rs.10 each were issued to the employees at a premium of Rs.10 per share on an equitable basis (Details of allotment non known).

1996, The Company launched Colgate fresh stripe tooth paste and Palmolive naturals soap in personal care products segments, Keratin Treatment Shampoo and Palmolive optima in Hair care segment during the year. Axion dishwashing paste was test launched in Maharashtra. 1998, The Company received a license for producing 24,000 tonnes per annum of fatty acids. The company paid a dividend of Rs.4.50 per share in 3 installments first interim Rs.1.60 second interim Rs.1.60 and final of Rs.1.30 per share. Colgate is the market leader in oral care with its toothpaste commanding a market share of over 60 per cent, followed by Hindustan Lever with around 35 per cent. 2000, The Company has introduced two new variants to its Palmolive Naturals soap range and has revitalized its sandalwood soap. The Company has launch of two new
variants in its Palmolive Naturals range of beauty soap lime and milk cream. The Company has re-launched Colgate Gel as 'Colgate Fresh Energy Gel.' The Company has entered into a strategic tie-up with Calcutta based First-net Solutions Ltd, under which both partners will go for joint sales promotion of Colgate Fresh Energy Gel toothpaste on the Web portal, Yantram.com.

2001, Colgate-Palmolive (India) Ltd. has launched its biggest national-level consumer promotion involving its toothpaste, toothbrush and soaps. Colgate Palmolive (India) Ltd. has launched international cleaning product Ajax in the Indian household products category for summer.

2003 Colgate Palmolive has divested its stake in its subsidiary Camelot Investment Company. Colgate has decided to concentrate on its non-oral care division, by launching an international range of Palmolive Aromatherapy personal care products. "Navigator Plus" was launched with its unique characteristics as a premium toothbrush. 2004, Vikram Kaushik resigns from the Board of Colgate Palmolive India. Colgate Palmolive launches shower gel variant. Unveils Palmolive Aroma Sensual Shower Gel, enriched with a blend of Orchid extract and pure essential oils of jasmine and rose, the gel is priced at Rs.90 for a 250 ml pack. 2005, Colgate Palmolive unveils Colgate Active Salt toothpaste. Colgate emerges top brand. 2006, Colgate enters the fast growing Naturals segment by purchasing Tom's of Maine, a leader in that market in the United States. Colgate Palmolive conducts free dental checkups Colgate Palmolive rolls out Colgate Max Fresh Gel Colgate to acquire 84% shares of Tom's of Maine 2007, Colgate
Palmolive India, and the market leader in toothpaste in India, declared the acquisition of three domestic companies in south India recently.

2009, Colgate Palmolive India Ltd has appointed Mr. Mukul Deoras as Managing Director of the Company.

Today

Today, with sales surpassing $15 billion, Colgate focuses on four core businesses: Oral Care, Personal Care, Home Care and Pet Nutrition. Colgate now sells its products in over 200 countries and territories worldwide.

The 200 years over history reflects the strength and innovation the Colgate people have used to constantly transform their company and identify the new opportunity.

(b) Colgate - Palmolive Limited - Products

The company is a multinational corporation and it started its operation in America and reached to different countries in various continents. It is having in most of the major countries its presence in production, marketing, logistics and research activities. The requirements of the customers are considered to a good extent and the products have been designed. Time to time the emerging preference of the customers has been considered and products have been designed through research and development facilities. It is having long history in India also. It is manufacturing mainly products taking care of various aspects of individual of day to day use. Colgate Palmolive Company is one of the leading consumer products company in the world. It offers products in various categories including oral care, personal care, household surface, fabric care and pet
nutrition. The list of the products of the company is very big. The following list includes the products of the company:

(i) **Oral Care**

- Toothpastes Colgate Dental Cream, Colgate Max Fresh, Colgate Active Salt, Colgate Total, Colgate Sensitive, Colgate Kids, Colgate Advanced Whitening, Colgate Herbal, Colgate Cibaca, Colgate Fresh Energy Gel, Colgate Maxwhite.

- Toothbrushes Colgate Massager, Colgate Navigator Plus, Colgate Extra Clean Gum Care, Colgate Sensitive Toothbrush, Colgate 360 Toothbrush, Colgate Zig Zag

- Toothpowder Colgate Super Rakshak

- Whitening Products - Colgate Advanced Whitening

- Kids Product Colgate Kids Toothpaste, Colgate Kids 2+

- Mouthwash Colgate Pl
(ii) **Personal Care**

- Body wash Palmolive Aroma Body washes Relaxing, Palmolive Thermal Spa Body wash Firming, Palmolive Aroma Body washes Vitality, Palmolive Thermal Spa Body wash Massage, Palmolive, naturals Moisturizing Body washes Milk & Almond, Palmolive Naturals Moisturizing Body wash, Milk & Honey
- Liquid Hand wash - Palmolive Naturals Milk and Honey Hand Wash, Palmolive Aroma Liquid, Hand Wash Relaxing, Palmolive Naturals Liquid Hand Wash

Family Health

- Hair Care Palmolive Halo Shampoo,

Skin Care Palmolive Charmis Cream

- Shave Preps Shave Cream

- Home Care Axion - Dish Washing, Paste etc.

(iii) **Professional Oral Care**

- Gingivitis Treatment Colgate PerioGard
- Sensitivity Treatment Colgate Sensitive, Colgate Gel Kam
- Tooth Whitening Colgate Visible White
- Fluoride Therapy Phos Flur
- Mouth Ulcer Treatment Oragard-B
- Specialty Cleaning - Specialty Cleaning
(c) Colgate-Palmolive Company - SWOT Analysis

SWOT Analysis company profile is the essential source for top level company data and information. Colgate Palmolive Company SWOT Analysis examines the company’s key business structure and operations, history and products, and provides summary analysis of its key revenue lines and strategy. Colgate Palmolive Company (Colgate Palmolive or ‘the company’) is one of the leading consumer products company in the world. It offers products in various categories including oral care, personal care, household surface, fabric care and pet nutrition. Colgate-Palmolive primarily operates in North America, Latin America, Europe/South Pacific and Greater Asia/Africa. The company undisputed market leader in toothpastes with over 45% share in the Rs.21 bn (90,000 TPA) oral care segment. The company's parent has a presence in over 200 countries worldwide. The SWOT analysis of the company in India market is as follows;

(i) Strengths:

- Due to long experience in Indian market it has a well-established distribution network.
- Brands of the company are very popular and customers are not ready to change over to products of competitors’.
- Better production technology, skilled and motivated manpower and with sound financial position the company is doing its business in India.
(ii) Weaknesses:

- Export earning is less due to internationally tough competition faced.
- In some of the cases the knowledge of Indian customers is low to understand their requirements.
- Due to tough competition the operating costs are going up.
- Small scale operation permission from governments.

(iii) Opportunities:

- Indian market with huge potential for future.
- Export potential with special planning can be increased.
- Business expansion possibility is there in Indian markets.
- Availability of raw materials and cheaper labour costs in operation.
- Low cost operations due to availability of raw materials and workers for their factories

(iv) Threats:

- Tough competition from foreign and local players.
- Inflation creates problems because it adds to the costs.
- Government policies and taxation law are to be implemented.

GROWTH - A Scenario

Colgate-Palmolive Company, together with its subsidiaries, manufactures and markets consumer products worldwide. It offers oral care products including toothpaste, toothbrushes, and mouth rinses, as well as dental floss and pharmaceutical products for dentists and other oral health professionals; personal care products, such as liquid hand soap, shower gels, bar soaps, deodorants, anti
per spirants, shampoos, and conditioners; and home care products comprising laundry detergents, dishwashing liquids and detergents, household cleaners, and oil soaps, as well as fabric conditioners. The company offers its oral, personal, and home care products under the Colgate Total, Colgate max Fresh, Colgate 360’, Colgate, Colgate Plax, Palmolive, Soft soap, Irish Spring, Protex, Speed Stick, Lady Speed Stick, Caprice, Ajax, Fabulous, Murphy’s, Suavity, and Soup line brand names to wholesale and retail distributors. It also provides pet nutrition products for dogs and cats. The company markets its pet foods through pet supply retailers and veterinarians for everyday nutritional needs under Science Diet name; and a range of therapeutic products through veterinarians to manage disease conditions in dogs and cats under the Prescription diet name. The company was founded in 1806 and is headquartered in New York.

• Products:

  Oral Care-Under this segment the company offers product like toothpastes, toothbrush, tooth powder & tooth whitening products. Personal care-In this segment it offer products skin care, hair care, body wash & shaving creams Household care Under this segment it has launched brand AXIOM-a dish washing paste. It has also introduced new products namely Colgate dental floss, ORAGARD-B a mouth ulcer cream etc.
- **Milestone**

In 2003 Colgate was ranked as India’s Most Trusted Brand across all categories by Brand Equity’s Most Trusted Brand Survey for four consecutive years from 2003-2007. Colgate was also rated as the number one brand by the *A&M – MODE Annual Survey for India’s Top Brands for eight out of nine years during the period 1992 to 2001.

- **Colgate-Palmolive At a glance**

It serves the global customers with products in five major categories Viz., Oral care, Personal care, Household surface care, fabric care and pet nutrition.

- **Date of Establishment**: 1937
- **Revenue**: 347,188 (USD in Millions)
- **Market Cap**: 99621.53809335 (Rs. in Millions)
- **Corporate Address**: Colgate Research Centre, Main Street, Hiranandani Gardens Powai Mumbai- 400076, Maharashtra
  WWW.colgate.co.in

- **Management Details Chairperson**: J. Skala
- **MD**: R.D. Calmeyer
• **Business Operation**: Household & Personal products

Colgate-Palmolive is Rs. 1,300 crore company started in year 1937. In Rs. 2,400 crore domestic market it enjoys 50% of market share. It spread across 4.5 million retails outlets out of which 1.5 million are direct outlets.

The company is having four wholly owned subsidiaries namely Colgate-Palmolive

• **Financials**: Total Income Rs. 18025.707 Million (Year ending Mar. 2009)

• **Net Profit**: Rs. 2902.194 Million (Year ending Mar 2009)

(d) **Colgate Palmolive Limited - Recent Performance**

Colgate-Palmolive Company reported record net income and diluted earnings per share in fourth quarter 2009 of $631 million and $1.21, respectively. Fourth quarter 2008 reported net income and diluted earnings per share was $497 million and $.94, respectively, which included $31 million of after tax charges ($.06 per diluted share) related to the 2004 Restructuring Program. Excluding restructuring charges (which pertain only to 2008), net income and diluted earnings per share increased 20% and 21%, respectively. Worldwide sales were $4,081 million; up 11.5% versus the year ago quarter
and unit volume increased 3.0%. Global pricing increased 3.5% while foreign exchange added 5.0%. Organic sales (excluding foreign exchange, acquisitions and divestments) grew 6.5%. Gross profit margin increased to 59.5% in fourth quarter 2009 from 56.0% in the year ago period. Excluding restructuring charges in 2008, gross profit margin increased 320 basis points to 59.5% in fourth quarter 2009 from 56.3% in fourth quarter 2008, primarily reflecting the benefits of increased pricing and cost savings programs. Selling, general and administrative expenses were 34.2% and 33.7% of net sales in fourth quarter 2009 and 2008, respectively. Excluding restructuring charges in 2008, selling, general and administrative expenses increased to 34.2% of net sales in fourth quarter 2009 from 33.0% of net sales in fourth quarter 2008. Worldwide advertising costs increased 50 basis points as a percentage to sales versus the year ago period to 9.7% from 9.2%. Operating profit was $991 million in fourth quarter 2009 compared to $777 million as reported in fourth quarter 2008. Excluding restructuring charges in 2008, operating profit rose 21% to $991 million in fourth quarter 2009 from $816 million in fourth quarter 2008, increasing to 24.3% from 22.3% as a percent to sales. Net cash provided by operations year to date increased by 42% to $3,277 million. Working capital improved by 290 basis points from 2.5% to sales in 2008 to -0.4% to sales in 2009.

These results reflect the strength of the Company's overall balance sheet and key ratios as well as its tight focus on working capital. Ian Cook, Chairman, President and Chief Executive Officer, commented on the results excluding restructuring charges, "We are delighted to have finished the year so strongly with fourth quarter operating profit, net income and earnings per share all increasing double digit and organic sales growing a healthy 6.5%, driven by positive volume and higher pricing. "We are particularly pleased
that our renewed focus on unit volume growth is indeed working with global unit volume increasing sequentially in each of the last two quarters. "The excellent 320 basis point improvement in gross profit margin allowed for higher advertising spending behind Colgate's brands both in absolute dollars and as a percent to sales, which helped to drive global market share gains."We are delighted that Colgate's global market shares in toothpaste and manual toothbrushes both finished the year at record highs. Colgate's share of the global toothpaste market strengthened to 45.1% for the year, led by share gains in Mexico, Brazil, China, Hong Kong, India, Russia and Venezuela.

Colgate also strengthened its global leadership in manual toothbrushes, with its global market share in that category reaching 31.0% year to date, up 0.6 share points versus year ago. "Overall, despite difficult economic conditions around the world and the currency devaluation in Venezuela, our strong top and bottom line momentum should continue which bodes well for another year of double digit earnings per share growth in 2010. “For the full year 2009, worldwide sales as reported were $15,327 million, even with the year ago period, reflecting 0.5% unit volume growth, 6.0% higher pricing and 6.5% negative foreign exchange. Organic sales grew 6.5%. Net income and diluted earnings per share for the full year 2009 were $2,291 million and $4.37, respectively. Full year 2008 reported net income and diluted earnings per share was $1,957 million and $3.66, respectively, which included $113 million of after tax charges ($0.21 per diluted share) related to the 2004 Restructuring Program.

Excluding restructuring charges (which pertain only to 2008), net income and diluted earnings per share increased 11% and 13%, respectively. Colgate's major advantages are the strength of its brand and its strong, global presence: over 82% of the
company's 2009 revenues came from outside the United States. 45% of sales came from rapidly growing emerging markets, with Latin America representing Colgate's single largest source of revenue in 2009. Colgate's brand strength in foreign markets allows the company to command impressive market share and high profit margins. For example, Colgate leads mouthwash sales in Brazil with a market share of 40%. Colgate has been steadily expanding its operations throughout Latin America, Africa, and Asia, maintaining consistent positive sales growth in these regions. For example, in 2009 Colgate increased operating profit from Latin America and Asia/Africa by 15% and 20%, respectively.

In the quarter ending March 2010, Colgate reported earnings of $357 million, or $0.69 a share, down 30% from $508 million in the year-ago period, continuing to be hurt by hyperinflation in Venezuela even as worldwide sales claimed 9.3% to $3.83 billion. Excluding the Venezuela charge, earnings were $1.21 per share compared to analyst expectations of $1.19 per share on revenue of $3.89 billion Global volume grew 6% while pricing held steady, with all divisions reporting sales volume increases except Hill's pet food division. The company's posted a 10.5% sales increase on a volume increase of 8% in South America, its biggest region.
Board of Directors:

They have currently consists of 9 members in their board and have 2 standing committees. The Audit and the investors Grievance committee are the 2 standing committees.

Dabur India Limited

(a) History

Dabur India Limited is a leading Indian consumer goods company with interests in Hair Care, Oral Care, Health Care, Skin Care, Home Care and Foods. From its humble beginnings in the bylines of Calcutta way back in 1884 as an Ayurvedic medicines company, Dabur India Ltd has come a long way today to become a leading consumer products manufacturer in India. For the past 125 years, we have been dedicated to providing nature based solutions for a healthy and holistic lifestyle. Through our comprehensive range of products, we touch the lives of all consumers, in all age groups, across all social boundaries. And this legacy has helped us develop a bond of trust with our consumers. That guarantees you the best in all products carrying the Dabur name. With a basket including personal care, health care and food products, Dabur India Limited has set up subsidiary Group Companies across the world that can manage its businesses more efficiently. Given the vast range of products, sourcing, production and marketing have been divested to the group companies that conduct their operations independently. Dabur's mission of popularizing a natural lifestyle transcends national boundaries. Today, there is growing global awareness on alternative medicine, nature based and holistic lifestyles and an interest in herbal products. Dabur has been in the forefront of popularizing this alternative way of life, marketing its products in more than
60 countries all over the world. Over the years, Dabur's overseas business has successfully transformed from being a small operation into a multi location business spreading through the Middle East, North Africa, West Africa and South Asia.

Dabur has spread itself wide and deep to be close to our overseas consumers. Overseas product portfolio is tailor made to suit the needs and aspirations of our growing consumer base in the international markets. Strategic partnerships with leading multinational food and health care companies to introduce innovations in products and services. Six modern manufacturing facilities spread across South Asia, Middle East and Africa to optimize production by utilizing local resources and the most modern technology available. The journey of the company stated in 1884 and it was founded by Doctor Burman and after his name the name Dabur derived. Dr. Burman was a young and qualified person took venture to start this company. It started humbly and developed to a leading manufacturer of consumer healthcare, personal care and food products. At present it has over 125 years of proven track record of business.

Under one brand name Dabur it has marketed a variety of products, ranging from hair care to honey, oil, chyawanprash, Amla, Vatika, Hajmola and Real. The company is taking care of young and old generation demands into mid for development of products. It is having its manufacturing plants mainly in hilly areas where it can get the raw materials of herbs for production of ayurvedic medicines and other products. In 1936 Dr. Burman established Dabur India Limited. From its beginning it has launched many products and these are doing successful business in Indian as well as foreign markets on the basis of trust and loyalty. The products are consumer friendly with almost no side effects on human body. This company has development its own research laboratory for
development and testing of the products. The future of the company is very bright at least in Indian markets.

(b) Products of Dabur

Dabur India Limited is a leading Indian consumer goods manufacturer of Hair Care, Oral Care, Health Care, Skin Care, Home Care and Foods. The company is committed to provide natural solution healthy and holistic lifestyle. The products are herbal based and very friendly to the health without any adverse effects. The company is manufacturing a variety of products and marketing with trust and on the basis of loyalty of customers in India and abroad. Through research and development facilities the products are developed as per the emerging demands of the customers. Dabur is manufacturing products and medicines related to ayurvedic area. It is having a long list of its products for customers to use. The list of the products is appended below;

- **Hair care products:** Dabur amla hair oil, Dabur hair oil sikakai, Dabur vatika hair oil, Dabur amla hair oil lite, Dabur special hair oil, Dabur jasmine hair oil, Dabur jasmine hair oil, Parachute coconut oil, Cocoraj coconut oil, Dabur anmol coconut oil

- **Soaps:** Dabur neem soap, Dabur sandalwood soap, Dabur sandalwood soap, Dabur aloe vera soap

- **Ayurvedic medicines:** Dabur hajmola tablets, Dabur shilajit health tonic, Dabur hingwastakchuran, Dabur nature care triphla. Dabur hajmola candy, Dabur herbal toothpaste, Basil, Sat isabgol, Dabur nature care triphla, Dabur hingwastak churan, Dabur lavan bhaskar churan, Dabur honey, Dabur sitopaladi churan, Dabur pudin hara pearls
- **Dabur healthcare products:** Dabur chyawanprakash - sugar free, Dabur chyawanshakti energy food, Dabur chyawanprash, Dabur chyawan junior, Chocolate flavored health drink for kids.

Dabur India Limited (DIL) is the third largest FMCG Company operating in India with a turnover of more than Rs. 2,233 crores. It operates under three business categories namely Consumer Care Division (CCD), Consumer Healthcare Division (CHD) and Dabur foods Limited (in July 2007, Dabur announced the de-merger of DFL with DIL).

**Background**

Dr. S.K Burman started Dabur in 1884 as a small pharmacy. Initially, he prepared Ayurvedic medicines to treat diseases like malaria, plague and cholera that had no cure during that period. It was his dedication, commitment and empathy that made Dabur a renowned name among the masses. And today, after more than 120 years, Dabur is known for its trustworthiness more than anything else.

During this passage of time, Dabur went through several structural and strategic changes to maintain its market strength. The real mass production started in 1896. Early 1900’s saw Dabur emerge as the first company to provide health care through scientifically tested methods. It achieved significant improvements after setting up Research and Development centers and manufacturing automation. The launch of Dabur’s Amla hair oil and Chyawanprash was a boon to the expanding business. To keep up with the times, Dabur computerized its operations in 1957. It’s *Dant Manjan* and digestive tablets were widely accepted as well.

However with a large product portfolio in the market, Dabur had to maintain operational efficiency. To make sure it adjusted to the business environment it became a
public Limited company in 1986 followed by diversification in Spain in 1992. A major change came when Dabur came up with its IPO in 1994. Because of its position, Dabur’s issue was 21 times oversubscribed. Dabur further divided its business into three separate groups:

- Health Care Products Division
- Family Products Division
- Dabur Ayurvedic Specialties Limited

In 1998, for the first time in the history of Dabur, a non family member took charge. Dabur handed over the operations to professionals. Successful implementation of procedures, timely changes and maintaining its essence, Dabur achieved its highest ever sales figure of Rs.1166.5 crore in 2000-01. As FMCG sector was struggling with the slow growth in the Indian economy, Dabur decided to take numerous strategic initiatives, reorganize operations and improvise on its brand architecture beginning 2002. It decided to concentrate its marketing efforts on Dabur, Vatika, Anmol, Real and Hajmola to strengthen their brand equity, create differentiation and emerge as a pure FMCG player recognized as an herbal brand. This was chosen after a study with Accenture, which revealed that Dabur was mainly perceived as an Herbal brand and connected more with the age group above 35.

Also, larger retailers were making their foray into the FMCG market. Apart from HLL, P&G, Marico and Himalya, ITC was also posing a challenge. The supply chain of Dabur was becoming complex because of the large array of products. Southern markets share in the sales figure was negligible. These factors posed a threat to Dabur and hence small changes were not enough.
Given below is the product portfolio of Dabur (Consumer Care Division):

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hair Oil</td>
<td>Vatika, Amla, Sarso (Anmol coconut)</td>
</tr>
<tr>
<td>Shampoo</td>
<td>Vatika heena conditioning, root-strengthening Anmol-natural shine, silky</td>
</tr>
<tr>
<td>Baby &amp; Skin Care</td>
<td>Vatika fairness, Gulabari, Vatika fairness face pack Janmaghutti, Olive oil, Gripewater, Dabur lal tel</td>
</tr>
<tr>
<td>Digestive</td>
<td>Hajmola range, Hingoli, Pudin hara</td>
</tr>
<tr>
<td>Health Supplements</td>
<td>Chyawanprash, chyawanshakti, Dabur Honey, Glucose</td>
</tr>
<tr>
<td>Oral Care</td>
<td>Babool (rural market), Meswak (unani method), promise, Lal paste, Binaca, Promise</td>
</tr>
<tr>
<td>Home Care</td>
<td>Odomos, Odonil, Odopic, Sanifresh</td>
</tr>
</tbody>
</table>

Given Below is a Segment Wise Competitor list:

<table>
<thead>
<tr>
<th>Category</th>
<th>Dabur’s Share</th>
<th>Main Competitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fruit Juice</td>
<td>58% Real and Active</td>
<td>Tropicana</td>
</tr>
<tr>
<td>Fruit Drinks (coolers)</td>
<td>1% Coolers</td>
<td>Frooti And Maaza</td>
</tr>
<tr>
<td>Hair oil Coconut base</td>
<td>6.4% Vatika</td>
<td>HLL</td>
</tr>
<tr>
<td>Shampoo Vatika</td>
<td>7.1%</td>
<td>HLL and P&amp;G</td>
</tr>
<tr>
<td>Hair care (overall)</td>
<td>27%</td>
<td>HLL, P&amp;G and Himalaya</td>
</tr>
<tr>
<td>Chyawanprash</td>
<td>64%</td>
<td>Himani, Zhandu and Himalaya</td>
</tr>
<tr>
<td>Honey</td>
<td>40%</td>
<td>Himani, Hamdard and local Players</td>
</tr>
<tr>
<td>Digestives</td>
<td>37%</td>
<td>Paras and local players</td>
</tr>
</tbody>
</table>
Recent Initiatives

Following its plans, Dabur made significant changes in the time period 2002-2007.

Brand Rejuvenation

With youth forming a major population of India, Dabur decided to revamp its brand identity. Dabur associated itself with Amitabh Bachchan, Vivek Oberoi, Rani Mukherjee and Virender Sehwag for endorsements. New packaging and advertising campaign saw the sales of Chyawanprash grow by 8.5 per cent in 2003-04.

The year 2004-05 saw a whole new brand identity of Dabur. The old Banyan tree was replaced with a new, fresh Banyan tree.

The logo was changed to a tree with a younger look. The leaves suggesting growth, energy and rejuvenation, twin colors reflecting perfect combination of stability and freshness, the trunk represented three people raising their hands in joy, the broad trunk symbolized stability, multiple branches were chosen to convey growth, and warmth and energy were displayed through the soft orange color. ‘Celebrating Life’ was chosen as a new tag that completely summarized the whole essence.

The Chairman in his annual report message said, “If I were to summarize your Company’s performance during the year under review (2004-2005), it would be ‘Pursuit of Profitable Growth’”.
HR Initiates

The culture at Dabur gives full autonomy to its employees. Various training and development programs like Young Manager Development Program, Prayas, Leading and Facilitating Performance, Campus to Corpora and a balanced scorecard approach to performance evaluation, helps employees realize their potential.

Recently, Dabur has adopted an innovative HR program of offering ESOPs to new engineering and management trainees at the time of joining. Also in 2005, Dabur gave Bonus to its employees after 12 years. This boosted the employee morale further.

Dabur was listed as a “Great Place to Work”, in a survey conducted by Grow Talent & Company and Great Place to Work Institute, USA. Dabur was listed as the 10th “Great Place to Work”. The results were published in Business World dated February 2006.

IT initiatives

Dabur installed centralized SAP ERP system from 1st April 2006 for all business units. It also implemented a country wide new WAN Infrastructure for running centralized ERP system. Further it set up new Data Center at KCO Head Office.

Supply chain Initiatives

Dabur has undertaken e-procurement in a big way. In 2003-04 Dabur India procured Rs.210 crore of raw materials through e-sourcing or almost 50 per cent of total raw material expenditure and, in the process, considerably controlled raw material costs which were on a rise.

For better production and operation management, Dabur included automation, debottlenecking, Kaizen and wastage control. It set up production units in locations
providing tax holidays to reduce cost and improve efficiency.

Other important changes

Dabur made its largest acquisition by taking over Balsara hygiene and home products business. Dabur bought the entire promoters’ stake of three Balsara companies through an all cash deal of Rs.140 crore. This was done to ensure Dabur’s presence in all price segments in the herbal oral care market. Moreover, it allowed Dabur’s entry in the household care segment, where Balsara has well established brands.

Dabur also demerged its pharmaceutical business to come out as a pure FMCG player. Dabur estimated that the southern region was contributing as low as 7% to its overall growth. For this purpose, the south team adopted a three phase approach. First, it focused on point of sale promotions and stocking practices. Second phase included better marketing efforts in terms of advertising and packaging. Finally, it envisioned customized product launches for the Southern states. The completion of first two phases by 2005-06 resulted in increasing contribution to 10%.

Vision 2010

After the successful implementation of the 4-year business plan from 2002 to 2006, Dabur has launched another plan for 2010. The main Objectives are:

- Doubling of the sales figure from 2006
- The new plan will focus on expansion, acquisition and innovation. Although Dabur’s international business has done well growing by almost 29 per cent to Rs.292 crore in 2006-07, plans are to increase it by leaps and bounds.
- Growth will be achieved through international business, homecare, healthcare and foods.
- Southern markets will remain as a focus area to increase its revenue share to 15 per cent.
With smoothly sailing through its previous plans, this vision seems possible. Time and again, Dabur has made decisions that have led to its present position. However, if Dabur could be more aggressive in its approach, it can rise to unprecedented levels. To conclude, this is a 10 year performance table from Dabur’s website.

(c) SWOT Analysis of Dabur India

SWOT is the process and it stands for Strengths, Weaknesses, Opportunities and Threats, and is an important tool often used to highlight where a business or organization is, and on the basis of this the company can take the strategic decisions for the business in the future. It looks at internal factors, the strengths and weaknesses of a business, and external factors, the opportunities and threats facing the business. This process highlights strength, weakness, opportunities in the markets and threats to the business of the company. The SWOT analysis of Dabur would make the position of the company clear and it can assess the capacity of the company and the market positions for the business. The SWOT process for Dabur is carried out as follows:

(i) Strengths: It highlights the plus points of the company internally. It shows the position of the company relating to its resources, management approach etc. On the basis of this management can dare to take further steps. The strengths of the company are:

- Support from leading businesses houses from abroad.
- Financial position of the company is sound.
- Research and development facilities are adequate for further development of the products.
- Market position is well maintained
- Niche marketing strategy is doing well.
(ii) Weaknesses:

- The impact of Dabur products is slow and of low quality and that is to be improved;
- Production and operating costs are higher and these reduce the profits of the company.
- Dabur India’s R&D facilities are comparatively inadequate and needs improvements.
- In experienced staff sometimes creating problems and giving weak performance.
- Old and outdated technologies not helping in production of more production of higher quality.
- Lack of innovative approach in the company exists.

(iii) Opportunities:

- Indian market is very wide and having great potential for further development.
- The knowledge of the company regarding customers and their profile is good.
- The availability of raw materials and low labour cost is another opportunity.
- Less level of competition is herbal based products

(iv) Threats:

- Export expansion chances are very less.
- Competition is slowly increasing and for further it would be threat.
- Higher inflation increasing the total costs
(d) Recent Performance

Dabur India limited is one of the leading companies in India producing herbal products mainly. Its progress is very attractive and hopes it would maintain in future also. It has a large number of products in its portfolio and developing further also. It has its business in India as well as in other countries outside of India. In recent past worldwide economies were facing recession so the demands of the products of MNCs were down whereas the demand, sales, revenue and profit of this company did not fall. Sincere efforts of the management are there to sustain its growth rate further also.

Dabur India Ltd has posted a net profit of Rs. 1271.70 mn for the quarter ended December 31, 2010 as compared to Rs. 1201.30 mn for the quarter ended December 31, 2009. Total Income has increased from Rs. 8012.60 mn for the quarter ended December 31, 2009 to Rs. 9101.20 million for the quarter ended December 31, 2010. For the Consolidated period for the quarter ended December 31, 2010, the Group has posted a net profit after minority interest of Rs.1544.50 million for the quarter ended December 31, 2010 as compared to Rs. 1393.00 million for the quarter ended December 31, 2009. Total Income has increased from Rs. 9323.60 mn for the quarter ended December 31, 2009 to Rs. 10888.30 mn for the quarter ended December 31, 2010.
3. Hindustan Unilever Limited

(a) History

Hindustan Lever Ltd (HLL) is India's largest and highly progressive company in FMCG sector. HLL's brands like Lifebuoy, Lux, Surf Excel, Rin, Wheel, Fair & Lovely, Pond's, Sunsilk, Clinic, Pepsodent, Close-up, Lakme, Brooke Bond, Kissan, Knorr-Annapurna, Kwality Wall's are household names across the country and span a host of categories, such as soaps, detergents, personal products, tea, coffee, branded staples, ice cream and culinary products. These products are manufactured over 40 factories across India and the associated operations involve over 2,000 suppliers and associates. Hindustan Lever Limited's distribution network comprises around 4,000 re distribution stockiest, covering 6.3 million retail outlets reaching the entire urban population, and about 250 million rural consumers. HLL is also one of India's largest exporters. It has been recognized as a Golden Super Star Trading House by the Government of India. Presently, HLL has over 16,000 employees including over 1,200 managers. Its mission is to "add vitality to life." The Anglo-Dutch company Unilever owns a majority stake in Hindustan Lever Limited.

Hindustan Unilever Limited (HUL), a 52% owned subsidiary of Anglo-Dutch giant Unilever, has been working its way into India since 1888, when it started selling its products there. As India's largest consumer goods firm, HUL markets more than 400 brands that include beverages, food, and home and personal care goods. Some of its names include KwalityWall's ice cream, Sunlight dish detergent, Lifebuoy soap, Lipton tea, Pepsodent toothpaste, and Surf laundry detergent. HUL markets atta (a type of meal), maize, rice, and salt, and its export division ships castor oil and fish. The company also
sells bottled water and over-the counter healthcare items. It licenses its Lakmé and Lever Ayush brands.

Hindustan Lever Limited (HLL) is India's leading consumer goods supplier, with a focus on the FMCG category that includes detergents, soap, shampoo, deodorant, toothpaste, and other personal care items, and cosmetics. HLL's personal care brands include soap brands such as Lux, Lifebuoy, Liril, Breeze, Dove, Pear's, and Rexona; shampoos and hair coloring brands including Sunsilk Naturals and Clinic; skin care brands Fair & Lovely and Pond's; and oral care brands Pepsodent and Close Up. The company's cosmetic line is led by the Lakme brand; HLL also produces a line of Ayurvedic personal and healthcare items under the Ayush brand. In addition to the FMCG segment, HLL has developed a line of food items, primarily under the Kissan and Knorr Annapurna brands, as well as the ice cream brand Kwality Wall's. In the early 2000s, HLL also acquired baked goods producer Modern Food Industries. In addition to its domestic brand family, HLL sells bulk foods, including maize, rice, salt, and atta. HLL is also an active exporter, shipping its FMCG and food brands, as well as rice; marine products including surimi, shrimp, crabsticks, and others; and castor oil. HLL has completed a restructuring of its business in the first half of the 2000s, streamlining its brand portfolio, from 110 brands to 35 "power" brands, while exiting a number of businesses, such as teas (sold to the Woodborer Group in 2006) and specialty chemicals. HLL maintains a strong manufacturing presence in India, with some 80 factories located throughout the country; the company also subcontracts to more than 150 third party producers. HLL is itself a subsidiary of Unilever, which controls 51.55 per cent of the group. HLL is listed on the Mumbai Stock Exchange.
(i) **Indian manufacturing base starting in 1931:** England's Lever Brothers began importing their Sunlight brand soap into India in the late 1880s. By 1895, Lever had introduced another of its brands, Lifebuoy, which became the company's longest running successful brand in India. Other Lever brands followed into the beginning of the next century, including the Lux soap flake brand in 1905; and scouring powder Vim as well as soap brand Vinolia in 1913. Lever Brothers, by then well into an international expansion that would see the company become one of the world's top multinationals, also acquired and introduced a number of other brands into the Indian market, including Pear's soap, in 1917. By 1930, Lever Brothers, which also had entered areas such as food production, including edible oils and margarine, had merged with The Netherlands' Margarine Unie, forming Unilever. Unilever's Indian sales were based on imports into the early 1930s. The company had begun planning, however, to establish a manufacturing presence in the Indian subcontinent as early as 1923. The company began talks with the British and Indian authorities, and finally received permission to build its first factory in 1931. In that year, the company incorporated a new subsidiary, Hindustan Vanaspati Manufacturing Company, to produce edible oils. That company opened a production facility in Sewri in 1932. Two years later, the company added another subsidiary, Lever Brothers India Limited, for the production of soap, and began construction of a factory next to its Vanaspati facility. That company launched production of Sunlight branded soap at a factory in Bombay in 1934. In that year, as well, the company took over production at the Calcutta factory of another company, Northwest Soap, where it began producing the Lever brand family. That factory, known as the Garden Reach factory, added production of a line of personal care products in 1943. In 1935, Unilever added a third subsidiary in
India, United Traders Limited. This unit was created to provide marketing support for the company's other operations, tailoring the group's sales to the specifics of the Indian population. Through the 1940s, Unilever's Indian unit began extending its sales network throughout India, building up its own sales team, and adding sales offices in Mumbai, Chennai, Calcutta, Karachi, and elsewhere. The transition of Unilever's multiple businesses to the single Hindustan Lever Limited is again the 1940s. In 1944, the three Indian companies were reorganized under a unified management. Nevertheless, the companies retained separate sales and marketing businesses. In the meantime, the company had launched an effort to transition the company from one led almost entirely by foreign and, in large part, European management, to one staffed primarily by Indians. This effort began in 1942, when the company began training Indians for its junior and then senior management positions. By 1951, the company appointed an Indian, Prakash Tandon, to the managing director's position. Tandon led the merger of the three Indian subsidiaries into a single entity, Hindustan Lever Limited (HLL), in 1956. By the end of the decade, Tandon had taken over the chairman's position as well. By then, nearly all of the group's management positions were filled by Indians. HLL was then taken public, as Unilever reduced its stake in the company in favor of domestic shareholders. By 1980, Unilever's stake in HLL had dropped to less than 52 per cent.

HLL already produced a wide range of consumer goods for the Indian market by the early 1960s. In 1962, the company launched its own export operations as well, in a move made in part to bring foreign exchange capital into the struggling Indian economy. HLL's exports reflected the company's own multifaceted operations. In addition to
producing and supply ingrown materials and finished products, including a number of specialty chemicals and tea, in the support of the international Unilever brand family, HLL also developed a bulk goods export business. For this the company focused on Indian-specific goods, such as castor oil, Basmati rice, and a variety of marine products, including shrimp and surimi. HLL set up a new headquarters in Mumbai in 1963. The following year, the company entered the dairy industry, establishing its Etah dairy and launching the Anik brand of ghee (a prepared butter product used in Indian cooking). The company also began producing animal feed that year. Meanwhile, HLL launched a new shampoo, Sun silk, for the Indian market. By the end of the decade, HLL had launched a number of other successful brands, including Signal toothpaste, Taj Mahal tea, Bru coffee, and Clinic shampoo, launched in 1971. By then, the company had firmly established itself as the leading producer of so called "fast moving consumer goods. “Part of the company's success came from its highly active sales network. A significant proportion of India's population, which would top one billion before the dawn of the 21st century, still lived in rural regions and in extreme poverty. For much of this population, personal care products remained luxury items. Yet the company recognized the importance of building its brands in this region as well, and as such the company developed a vast sales network. Much of this network was based on an army of independent, direct sales agents, who hawked the company's products in the country's more than 150,000 villages. Into the 1970s, HLL also began diversifying beyond its consumer goods operations. The company opened the Hindustan Lever Research Center, in Mumbai, in 1967. This led the group to begin producing fine chemicals in 1969. By 1971, the company had received permission from Unilever to enter the production of industrial chemicals. The company began construction
of a pilot plant for this operation in Taloja in 1974. This unit was completed in 1976. In that year, HLL launched the construction of a larger chemicals complex; at Haldia. That facility began producing sodium tripoly phosphate in 1979. The production of these chemicals enabled HLL to begin producing synthetic detergents at Jammu in 1977. Through the 1980s, HLL continued to develop its businesses. In 1986, the company set up an agri products business, based in Hyderabad, which began producing hybrid seeds that year. HLL also added a new soap production facility in Khamgaon, and a personal products factory in Yavatmal that year. HLL's growth had nonetheless been limited by restrictions put into place by the Indian government's quasi socialist economic policies. In 1991, however, in the face of a major economic crisis, the government was forced to liberalize the country's economy. This opened up a new era of opportunity for HLL.

(ii) Power brand focus into the 21st century: A major step forward for the group came in 1993, when the company acquired its leading rival, Tata Oil Mills. By then, HLL also had met with success in the detergents category, with the launch of its Surf Ultra brand. This brand targeted the country's middle class, which, with the liberalization of the country's economy, was also becoming one of the fastest growing segments of India's population. In a further move to target this population, the company launched a new, high-end detergent brand, Surf Excel, in 1996. By the mid 1990s, HLL's revenues had topped $540 million. The company also had launched its first foreign subsidiary, establishing Nepal Lever Limited. That unit began producing soaps and detergents and other products within the HLL brand family, both for the Indian and Nepal market, as well as for the larger export market. HLL also began developing a series of
joint venture partnerships in the 1990s. In 1995, the company teamed up with Tata, this
time forming a 50-50 joint venture with Tata's Lakme cosmetics group. HLL bought the
Lakme brand family just three years later, taking full control of Lakme Lever. By then,
the company also had formed a joint venture with Kimberly Clark, which began marketing
the Huggies diaper and Kotex sanitary pad brands in India. HLL also deepened its food
brands during the 1990s and into the 2000s. The company acquired Kwality and Milk
food, which included the Kwality Wall's ice cream brand. In 2000, HLL marked the
beginning of a new era in India's economy, when it acquired 74 per cent of Modern Food
Industries Limited. A major baked goods business in India, Modern Food had previously
been owned by the Indian government, and marked HLL's extension into an entirely new
product category. HLL subsequently acquired full control of Modern Food in 2002. The
first half of the 2000s nonetheless represented a difficult period for the company, which
was faced with an economic slowdown in its core Indian markets. At the same time, HLL
underwent a dramatic restructuring as part of the parent company's global "power brand"
strategy. The company began streamlining its brand portfolio, which had grown to some
110 brands by the beginning of the decade, cutting that number back to just 35 brands by
medicate. As part of this refocus, HLL also began selling off its noncore operations,
including its chemicals businesses. That process was completed in large part with the sell-
off of the last of HLL's tea plantation and production units, Tea Estates India, which was
sold to a subsidiary of the Woodborer Group in 2006. By then, HLL appeared to have
once again moved into a growth phase, posting revenue gains of 9 per cent, and net profit
growth of some 23 per cent, over the previous year. HLL also prepared to enter a new
management era; in 2006, the company appointed Douglas Baillie, who previously
headed Unilever's operations in Africa, as the company's CEO. That appointment placed a non Indian at the head of the company for the first time in more than 40 years. HLL appeared certain to clean up in India's consumer goods market for decades to come. In February 2007, the company has been renamed to "Hindustan Unilever Limited" to strike the optimum balance between maintaining the heritage of the Company and the future benefits and synergies of global alignment with the corporate name of "Unilever". Hindustan Unilever Limited has informed that Mr. Sanjiv Kakkar, Executive Director, Sales & Customer Development has been appointed Chairman, Unilever Russia, Ukraine and Belarus (RUB), with effect from 1st September, 2008. HUL completes 75 years on 17th October 2008

(iii) **principal subsidiaries:** Bon Limited; Daverashola Tea Company Limited; Hind lever Trust Limited; Index port Limited; Indigo Lever Shared Services Limited; International Fisheries Limited; KICM (Madras) Limited; Kimberly Clark Lever Private Limited (50%); Lever India Exports Limited; Levers Associated Trust Limited; Levindra Trust Limited; Lipton India Exports Limited; Merry weather Food Products Limited; Modern Food and Nutrition Industries Limited; Modern Food Industries (India) Limited; Nepal Lever Limited (Nepal) (80%); Ponds Exports Limited; Quest International India Limited (49%); Thiashola Tea Company Limited; TOC Disinfectants Limited.

(iv) **Principal competitors:** Nirma Ltd.; Jocil Ltd.; Nahar Industrial Enterprises Ltd.; Shrihari Laboratories P Ltd.; Ruchi Infrastructure Ltd.; Procter & Gamble Hygiene and Health care Ltd.; Amrit Banaspati Company Ltd.; Henkel SPIC India Ltd.; K S Oils Ltd.; Ultramarine and Pigments Ltd.; Vashisti Detergents Ltd., Nestle, Colgate Palmolive
Hindustan Unilever Limited (HUL) is India's largest Fast Moving Consumer Goods Company; its journey began 75 years ago, in 1933, when the company was first incorporated. The company stirring the lives of two out of three Indians with over 20 distinct categories in Home & Personal Care Products and Foods & Beverages and also one of the country's largest exporters.

HUL's brands includes Lifebuoy, Lux, Surf Excel, Rin, Wheel, Fair & Lovely, Pond's, Sunsilk, Clinic, Pepsodent, Close up, Lakme, Brooke Bond, Kissan, Knorr Annapurna, Kwality Wall's - are household names across the country and span many categories soaps, detergents, personal products, tea, coffee, branded staples, ice cream and culinary products. They are manufactured in over 40 factories across India. In 1931, HUL set up its first Indian subsidiary, Hindustan Vanaspati Manufacturing Company, followed by Lever Brothers India Limited in the year 1933 and United Traders Limited in 1935. These three companies merged to form Hindustan Unilever Limited in November 1956.

In the year 1958 the company was started its Research Unit at Mumbai Factory namely The Hindustan Unilever Research Centre (HLRC). HUL meets every day needs for nutrition, hygiene, and personal care with brands that help people feel good, look good and get more out of life. The notable thing in company's history is the company became the first foreign subsidiary in India to offer equity to the Indian public. The company also partaking in sell abroad, the export business gives a sustain growth to the company in every agenda.
The company's Formal Exports Department was started in the year 1962 and HUL recognized by Government of India as Star Trading House in Exports in 1992. A turning point to the company was guaranteed in the year 1993, HUL's largest competitor, Tata Oil Mills Company (TOMCO), merges with the company with effect from April 1, 1993, the biggest such in Indian industry till that time. Merger ultimately accomplished in December 1994. HUL forms Nepal Lever Limited in 1994, HUL and US-based Kimberley Clark Corporation form 50:50 joint venture as Kimberley Clark Lever Ltd to market Huggies diapers and Kotex feminine care products. Factory was set up at Pune in 1995. HUL acquired Kwality and Milk food 100% brand names and distribution assets accordingly HUL introduced Wall's.

The company and Indian cosmetics major, Lakme Ltd came to joint ventures and formed Lakme Lever Ltd and HUL recognized as Super Star Trading House in 1995. In 1997 Unilever sets up International Research Laboratory in Bangalore and the new Regional Innovation Centers also came up to existence. A group company, Pond's India Ltd was merged with HUL on January of the year 1998. HUL believes that an organization’s worth is also in the service it renders to the community. HUL is focusing on health & hygiene education, women empowerment, and water management. It is also involved in education and rehabilitation of special or underprivileged children, care for the destitute and HIV positive and rural development. In 2001, the company embarked on an ambitious programmed, Shakti. Through Shakti, HUL is creating micro enterprise opportunities for rural women, thereby improving their livelihood and the standard of living in rural communities.
The company's spotlight was turned on to Ayurvedic health & beauty, HUL entered Ayurvedic health & beauty centre category with the Ayush range and Ayush Therapy Centre’s 2002. During the year 2003 the company launched Hindustan Lever Network, a strong initiative by the company worth of Rs. 1800 crore for Direct Selling Channel.

The company acquired Marine business from the Amalgam group companies on March of the same year. In line with company's business strategy to exit non core business, the Company has disposed its Mushroom business, which formed part of KICM (Madras) Ltd and its Seeds Business also in the year 2004.

As of December 2005, Lever India Exports Ltd, Lipton India Exports Ltd, Merry weather Food Products Ltd, Toc Disinfectants Ltd and International Fisheries Ltd was merged with the company, both the five companies are wholly owned subsidiaries of the company and Vasishti Detergents Ltd (VDL) came in to fold of the company as a result of amalgamation of the Tata Oil Mills Company Ltd, VDL was merged with the company in February, 2006. Modern Foods Industries (India) Ltd and Modern Foods & Nutrition Industries Ltd was merged with itself as of September 30, 2006.

In March 2007 'Sangam Direct' a non store home delivery retail business, operated by Unilever India Exports Limited (UIEL), a fully owned subsidiary was transferred to Wadhavan Foods Retail Pvt. Ltd (WFRPL) on a slump sale business and also in same month of the same year the company had carried out Demerger of its operational facilities in Shamnagar, Jamnagar and Janmam lands into three independent and separate companies, being 100% subsidiaries of the company known as Shamnagar
In June 2007, The Company has changed its name from Hindustan Lever Ltd (HLL) to Hindustan Unilever Ltd (HUL). Hindustan Unilever has been consistently recognized within India and globally by eminent organizations and the government for its achievements in various fields. The organization has been recognized among others by TERI, Far East Economic Review, Asian Wall Street Journal and Business world. More recently, Hewitt Associates ranked Hindustan Unilever among the top four companies globally in the list of Global Top Companies for Leaders.

The Company was ranked number one in the Asia Pacific region and in India. During 2008, Unilever announced its collaboration with the Indian Dental Association (IDA) in conjunction with World Dental Federation (FDI) through its Pepsodent, leading oral care brand to help improve the oral health and hygiene standards in India. The Demerger and transfer of certain immovable properties of Hindustan Unilever Limited to Brooke Bond Real Estates Private Limited was an event of the company on April 2008. HUL has more than 670 live patents and 700 million consumers use HUL brands in India as part of their daily lives.

The company moves with the mission of ’add vitality to life’ through its presence in over 20 distinct categories in Home & Personal Care Products and Foods & Beverages. HUL identified five key platforms and have articulated goals, both short term and long term goals, stretching to 2015, would work in areas of health & nutrition & women empowerment on the social front, the economic agenda would be to enhance
livelihoods and the environmental agenda would focus on water conservation and cutting green house gases.

(b) Hindustan Lever Ltd - Products

With 400 brands spanning 14 categories of home, personal care and foods products, no other company touches so many people's lives in so many different ways. Brand portfolio has made us leaders in every field in which we work. It ranges from much loved world favorites including Lipton, Knorr, Dove and Omo, to trusted local brands such as Blue Band and Suave. From comforting soups to warm a winter's day, to sensuous soaps that make customers feel fabulous, and products help people get more out of life. HUL is constantlyenhancing its brands to deliver more intense, rewarding product experiences. It invests nearly €1 billion every year in cutting edge research and development, and has five laboratories around the world that explore new thinking and techniques to help develop products. Consumer research plays a vital role in its brands' development. They are constantly developing new products and developing tried and tested brands to meet changing tastes, lifestyles and expectations. And our strong roots in local markets also mean they can respond to consumers at a local level. By helping improve people's diets and daily lives, can help them keep healthier for longer, look good and give their children the best start in life. There is a big list of products of this company and explained below:
(i) Health & personal care

- First launched in France in 1983, leading male grooming brand, Axe, now gives guys the edge in the mating game in over 60 countries

- Oral care brands Mentadent, Paposdent and Signal have teamed up with the world's largest dental federation, the FDI, which represents over 750,000 dentists around the world

- Lux became the first mass-marketed soap when it launched in 1924. Today it achieves annual global sales of over €1 billion

- Domestic is a best-selling brand in nine of the 35 countries in which it's sold

- Recent breakthroughs at Rexona include Rexona Crystal, a deodorant that eliminates unsightly white deposits on dark garments

- Small & Mighty concentrated liquid fits into a smaller bottle, requiring half the packaging, water and lorries to transport it, making it kinder on the environment

- Hindustan Unilever in India has launched a hand-wash product, Surf Excel Quick Wash, with a low foaming formulation, reducing the amount of water needed for rinsing by up to two buckets per wash.

(ii) Foods

- Knorr is our biggest food brand with a strong presence in over 80 countries and a product range including soups, sauces, bouillons, noodles and complete meals

- Lipton's tea based drinks include the international Lipton Iced Tea range, the Lipton range in North America and Lipton Yellow Label, the world's favorite tea brand
• Becel/Flora pro-active products have been recognized as the most significant advancement in the dietary management of cholesterol in 40 years

• In the mid 1990s it led the industry with a programmed to eliminate almost all trans fat from margarine

• World's largest ice cream manufacturer, thanks to the success of Heart brand which includes Magnum, Cornet to, Carte d'Or and Solero, and Ben & Jerry's and Brayers in the US.

(c) Hindustan Lever Limited - SWOT Analysis

Hindustan Unilever Limited (HUL) is a packaged mass consumption FMCG company based in India. It offers foods, beverages, home care and personal care products. The company primarily operates in India. It is headquartered in Mumbai, India and employs 41,000 people. Since long it is leader in India FMCG market and position is going day by day stronger. It has a large number of world renowned brands in its portfolio. The customers are scattered in urban, suburban and rural areas in India. A vast territory is covered by this company and still there is great potential for further development. SWOT analysis of this sector is carried as follows:

Strengths:

• HUL has its subsidiaries across the world and has production, marketing and research facilities across the world. The distribution network of this company is very strong since long.

• Profit generated every year so reserves are of huge amount for further developments
• Leader in the market with high market shares.

• Supported with advance technology and cooperative manpower.

Weaknesses:

• Export of its products is low because it has its units across the world.

• There is no major weakness of the company in India.

Opportunities:

• Indian market is very large and still it is uncovered.

• Export potential is there and can be utilized.

• Opportunity for boosting sales and revenue is very good.

• Low cost operations in India due to availability of raw materials and cheap labour costs.

Threats:

• Imports from China at lower cost creating difficulty.

• Government policies and tax regulation are necessary to be implemented.

• Slowdown in demand due to local factors in India economy.

• From internal and external foreign player tough competition is being faced.
(d) Hindustan Unilever Limited - Recent Performance

The competition level in Indian FMCG sector is very high. The competition is faced from MNCs and local players strongly. Heavy expenses are made on advertising and other promotional methods for promoting their brands to gain product awareness, customer base, and their shares of the customers’ wallets. To facilitate launch new products and re-launch of existing products companies are increasing their research and development expenditure. There search and development, and promotional efforts add to the costs of the company and lower the profitability of the company. HUL has consistently been the top advertisement spender over the years with expenditure of Rs. 650 crore in the year 2008. Second largest spending is Rs. 240 crore by a telecom company. P&G India and Colgate Palmolive, other FMCG players, also feature in the top 10 advertisers list. HUL has increased its advertising expenses by 26.56% in CY’07. Also the money spent in Research and Development which facilitates new product launches and relaunches of existing products has seen a raise by 38.16% in the same year. Harish Manwani, Chairman commented that in an environment of heightened competitive intensity we have accelerated volume growth, ahead of market. Broad based actions have been taken to enhance competitiveness of our brands, build new segments, expand offering in Foods and improve the overall quality of our innovations and speed to market. These initiatives have started to yield positive results.

(i) For quarter ended March 2010: The net sales for Q4 have increased by 8% to Rs. 4380.24 crore including the other operating income of Rs. 64.49 crore. Other operational income includes charge of Rs. 0.19 crore on account of foreign exchange Mark to Market (MTM) valuation of open forward contracts & monetary items.
Domestic Consumer and FMCG business grew 8%, driven by strong 11% volume growth. Growth was broad based across Home and Personal Care (HPC) and Foods and in aggregate, ahead of reported market growth. HPC business grew 5.5%, with strong volume growth in Soaps, Laundry Powders and Personal Products. Amidst heightened competitive intensity in the Laundry category, proactive and decisive actions were implemented and these helped deliver double digit volume growth in both Rin and Wheel powder. Portfolio rejuvenation in Personal Wash category has yielded positive results with robust volume growth in the premium and popular segment. Personal Products grew 19%, delivering strong volume growth for the fourth successive quarter. All segments including Hair, Oral and Skin care registered robust volume growth. Leadership in Shampoo segment was further strengthened, driven by innovations behind Dove and Clinic Plus. In Oral, toothpaste growth was ahead of market, with both Pepsodent and Close up growing double digit. In Skin care, sales growth was well ahead of market with continued focus on market development and expansion into new segments of the future. A significant entry into the male grooming segment was made through the launch of Vaseline Menz. The Facial cleansing portfolio was expanded, driven by multiple variants under Dove, Ponds, Pears and Lakme. Market share improved in the fast growing premium fairness and anti ageing segment. Foods business grew at 18% largely driven by volume. All segments in Foods via Tea, Coffee, Processed Foods and Ice creams have grown in double digit. The Tea portfolio now straddles the consumer pyramid with the launch of nutritional tea Brooke Bond Sehatmandin the mass segment. Knorr soupy noodles herald entry into the attractive noodles market, with a unique offering combining the taste of noodles with the health of soup. Kissan and Annapurna brands continued
their strong growth. Ice-cream grew 22% led by strong innovations for the summer season. Swirl's parlors continue to offer a unique Ice Cream consumption experience with 100 parlors now in operation nationally.

Pure it continued its strong growth momentum. Pure it Compact was launched at an attractive price of Rs. 1000. This innovation makes Pure it accessible to a larger group of consumers without any compromise to the standard of water purity. OPM declined by 110 basis points to 13.6% due to rise in ASP cost by 260 basis points to 14% and purchased of goods by 180 basis points to 15% of adjusted net sales. New innovations, entry into new segments and competitive brand support led to A&P expenditure. However, there was a fall in raw material/packaging cost by 50 basis points to 38%, staff cost by 50 basis points to 5% and other expenditure by 170 basis points to 15% of adjusted net sales. As a result, operating profit remained stagnant at Rs. 595.48 crore. Other income increased by 40% to Rs. 28.41 crore, which includes interest income, dividend income and net gain on sale of other non trade investments. Depreciation saw a rise of 22% to Rs. 50.29 crore. Profit before tax before exceptional item remained stagnant at Rs. 573.46 crore. There was an exceptional income of Rs. 143.39 crore, which include profit on sale of properties Rs. 5.47 crore, profit on sale of long term trade investments Rs. 91.10 crore, reduction in provision for retirement benefits of Rs 53.36 crore arising out of change in actuarial assumptions (net of impact on account of increase in gratuity limits), restructuring costs of Rs. 6.53 crore. As a result, the profit before tax after exceptional items has inclined by 54% to Rs. 716.85 crore. Tax outgo has increased by 164% to Rs. 187.76 crore. There was an extraordinary item of Rs. 52.11 crore which is writing back of
provision against advances to and diminution in the value of Investments in Bon Ltd. The net profit has increased by 47% to Rs. 581.20 crore due EO incomes.

(ii) For FY10: The net sales for FY10 have increased by 6% to Rs. 17725.33 crore including the other operating income of Rs 201.53 crore. Other operational income includes charge of Rs. 56.33 crore on account of foreign exchange Mark to Market (MTM) valuation of open forward contracts & monetary items. Domestic Consumer business grew 8.6%. OPM has inclined by 29 basis points to 15.5% due fall in raw material/packaging cost by 220 basis points to 37%, purchase of goods by 40 basis points to 13%, staff cost by 30 basis points to 5% and other expenditure by 110 basis points to 16% of adjusted net sales. However, there was rise in advertising & promotion (A&P) cost by 350 basis points to 13% of adjusted net sales. As a result, operating profit has inclined by 8% to Rs. 2749.97 crore. Other income declined by 19% to Rs. 148.11 crore. Interest cost has decreased by 68% to Rs. 6.98 crore while depreciation inclined by 16% to Rs. 184.03 crore. Profit before tax before exceptional items increased by 6% to Rs. 2707.07 crore. Exceptional items income stood at Rs. 55.45 crore. As a result, the profit after tax after exceptional item increased by 9% to Rs. 2762.52 crore. Total tax paid has increased by 49% to Rs. 616.37 crore. There was an EO income (net of taxes) of Rs. 55.88 crore. The net profit inclined by 4% to Rs. 2202.03 crore due to EO income.
(iii) Segmented result

- **Soaps & detergents**
  The revenue has decreased by 2% to Rs. 1978.48 crore for Q4 due to cut in prices on back of pricing competitive pressure. PBIT margins had declined by 380 basis points to 12.8%. As a result, PBIT had decreased by 24% to Rs. 252.73 crore. The category contributed around 45% to the revenues while the contribution to PBIT stood at 42%. The revenues for FY10 grew by 1% to Rs. 8265.64 crore. PBIT margins had declined by 99 basis points to 14.3%. As a result, PBIT had decreased by 5% to Rs. 1185.27 crore. The category contributed around 49% to the revenues while the contribution to PBIT stood at 42%.

- **Personal care**
  The revenues grew 19% to Rs. 1255.21 crore for the Q4. PBIT margin have decreased by 90 basis points to 21.8%. Despite it, there was increase in PBIT by 14% to Rs. 273.37 crore. The category contributed around 29% to the revenues while the contribution to PBIT stood at 45%. The revenues grew 16% to Rs. 5047.9 crore for FY10. PBIT margin have decreased by 140 basis points to 25.7%. Despite it, there was increase in PBIT by 10% to Rs. 1296.52 crore. The category contributed around 26% to the revenues while the contribution to PBIT stood at 46%.

- **Beverages**
  The sales grew by 15% during the quarter to Rs. 570.16 crore. The segment contributed 13% to the total revenues. PBIT margin has inclined by 60 basis points to 13.8%. As a result, PBIT increased by 21% to Rs. 78.96 crore. It contributes 13% to the total PBIT. The sales for FY10 grew by 15% to Rs. 2142.43 crore. The segment contributed 11% to
the total revenues. PBIT margin has inclined by 130 basis points to 14.9%. As a result, PBIT increased by 26% to Rs. 319.75 crore. It contributes 11% to the total PBIT.

• **Processed foods**

  The sales have increased by 23% to Rs. 197.57 crore for Q4. PBIT margin turn positive to 4% as a result, there was PBIT of Rs. 7.9 crore. The sales grew by 11% to Rs. 730.78 crore for the FY10. PBIT margin turn positive to 0.6% as a result, there was PBIT of Rs. 4.44 crore.

• **Ice-creams**

  The sales grew by 22% to Rs. 55.3 crore for the Q4. PBIT margin is remained negative; as a result there was loss before interest and tax of Rs. 1.57 crore. The sales grew by 16% to Rs. 231 crore for FY10. PBIT margin is declined by 10 basis points to 5.5%, despite it the PBIT has increased by 14% to Rs. 12.69 crore.

• **Export revenue**

  Export revenues increased by 16% to Rs. 255.51 crore for the Q4. Margin declined by 130 basis points to 5.2%. As a result, there was a decline in PBIT by 7% to Rs. 13.34 crore. The category contributed around 6% to the revenues while the contribution to PBIT stood at 2%. The export revenues decreased by 15% to Rs. 1005.25 crore for the FY10. Margin declined by190 basis points to 5.8%. As a result, there was a decline in PBIT by 35% to Rs. 58.58 crore. The category contributed around 7% to the revenues while the contribution to PBIT stood at 2%.
• **Valuation**

The Board proposed a final dividend of Rs. 3.50 per share for the financial year ending March 31, 2010. Together with interim dividend of Rs. 3.00 per share the total dividend for the financial year ending March 31, 2010. amounts to Rs. 6.50 per share. The scrip was trading at Rs. 231.35 on 26th May 2010 on BSE. Promoters of the company hold 52.02% stake in the company.

(iv) **Godrej Group**

The Godrej Group is an Indian conglomerate headquartered in Mumbai, Maharashtra, India, managed and largely owned by the Godrej family. It was founded by Ardeshir Godrej and Pirojsha Godrej in 1897, and operates in sectors as diverse as real estate, consumer products, industrial engineering, appliances, furniture, security and agricultural products. Subsidiaries and affiliated companies include Godrej Industries and its subsidiaries Godrej Consumer Products, Godrej Agrovet, and Godrej Properties, as well as the private holding company Godrej & Boyce.

**Background:**

The Godrej Group was founded in 1897, and has since evolved into one of the largest and the oldest conglomerates based in Mumbai, India, with a presence in varied industries, including appliances, precision equipment, machine tools, furniture, healthcare, interior solutions, office equipment, food-processing, security, materials handling and industrial storage solutions, construction and information technology. The Group is headed by Adi Godrej and his brother in law and cousin, Nadir Godrej and Jamshyd Godrej.
Traditionally, Vikhroli, a suburb to the Northeast of Mumbai has been Godrej's manufacturing base, but increasingly the group has moved significant production facilities away from Mumbai. The Godrej group also owns vast land in Vikhroli, occupying 3500 acres (14 km²) of land on both sides of the Vikhroli section of the LBS marg. That makes the Godrej group the biggest private land owner in Mumbai by far. Such vast land can, in theory, be used to create at least 1,500 acres (6.1 km²) of residential floor space, which, at very modest rates (Rs.10000/sq ft), can be sold for USD 16 billion. Thus, the Godrej group is sitting on an invisible cash pile that is the envy of other Indian conglomerates.

**Time line:**

- **1897** - Godrej is established in 1897
- **1902** - Godrej makes its first Indian Safe
- **1918** - Godrej Soaps Limited incorporated
- **1961** - Godrej Started Manufacturing Forklift Trucks in India
- **1971** - Godrej Agrovet Limited began as an Animal Feeds division of Godrej Soaps
- **1974** - Veg oils division in Wadala, Mumbai acquired
- **1990** - Godrej Properties Limited, another subsidiary, established
- **1991** - Foods business started
- **1994** - Transelektra Domestic Products acquired
- **1995** - Transelektra forged a strategic alliance with Sara Lee USA
- **1999** - Transelektra renamed Godrej Sara Lee Limited and incorporated Godrej Infotech Ltd.
• 2001 - Godrej Consumer Products was formed as a result of the demerger of Godrej Soaps Limited. Godrej Soaps renamed Godrej Industries Limited

• 2002 - Godrej Tea Limited set up

• 2003 - Entered the BPO solutions and services space with Godrej Global Solutions Limited

• 2004 - Godrej Hi Care Limited set up to provide a Safe Healthy Environment to customers by providing professional pest management services

• 2006 - Foods business was merged with Godrej Tea and Godrej Tea renamed Godrej Beverages & Foods Limited

• 2007 - Godrej Beverages & Foods Limited formed a JV with The Hershey Company of North America and the company was renamed Godrej Hershey Foods & Beverages Limited

• 2008 - Godrej re-launched itself with new colorful logo and a fresh identity music

• 2010 - Godrej & Boyce shuts down its typewriter manufacturing plant, the last in the world.

Social Responsibilities:

Godrej has a philanthropic arm that has built schools, dispensaries and a residential complex for their employees. Trusts established by Godrej continue to invest in education, healthcare and upliftment of the underprivileged.

Operations:

The Godrej group can be broadly divided into two major holding companies, working in dependently:

• [Godrej Industries Ltd](#)

• [Godrej & Boyce Mfg. Co. Ltd.](#)
The Major Companies, subsidiaries and affiliates are

- Chemical & Commodities
- Godrej Industries
- Chemicals
- Veg Oils

**FMCG**

- Godrej Consumer Products
- Keyline Brands UK
- Rapidol South Africa
- Godrej Global Mideast FZE
- Godrej SCA Hygiene Limited
- Godrej Hershey Foods & Beverages Limited
- Nutrient
- Godrej Sara Lee

**AGRI**

- Godrej Agrovet
- Animal Feeds
- Goldmohur Foods and Feeds
- Golden Feed Products
- Higashimaru Feed Products
- Oil Palm
Agri Inputs

Godrej Aadhaar

Nature's Basket

Integrated Poultry Business

Plant Biotech

Services

• Godrej Hi Care (Pest Management Services)
• Godrej Global Solutions (ITES)
• Godrej Properties

Achievements:

• In 1897, Godrej introduced the first lock with lever technology in India.
• In 1902, Godrej made the first Indian safe.
• In 1920, Godrej made soap using vegetable oil, which was a huge hit with the vegetarian community in India
• In 1955, Godrej produced India's first indigenous typewriter
• In 1989, Godrej became the first company to introduce PUF (Polyurethane Foam)
• Introduced India's first and only 100% CFC, HCFC, HFC free refrigerators (Claim to be validated)
Awards:

- **GCPL**, the Highest Ranked Indian FMCG in Asia's Hot Growth Companies' List by Business Week

- **Godrej Consumer Products Ltd.** has been ranked 14th in The Best Companies to Work For study. This study was jointly conducted by Business Today, Mercer and Taylor Nelson Sofres (TNS)

- Godrej Consumer Products Ranks 6th in ET-Hewitt Best Employers of India survey

- GCPL ranked 15th in Great Places to Work 2006 survey

- The Corporate Citizen of the Year Award given by Economic Times.

- Flagship brands Good knight, Cinthol and Ezee selected Super brands by the Super brands Council

- Godrej Sara Lee, the JV between the Godrej Group and Sara lee Corporation, USA is acknowledged the World's largest mat manufacturers and South Asia's largest manufacturers of Coils.


- The Return on Capital Employed and Return on Net Worth ratios of Godrej Consumer Products - the highest in corporate India.

- Godrej Consumer Products was awarded the "Best Managed Workforce" award given by Hewitt Associates and CNBC TV18.
- Godrej Consumer Products features in the Top 25 list of Great Places to Work (survey conducted by Grow Talent in association with Business World) for four years in a row.

- Lifetime Achievement Award for Godrej Industries from CHEMEXCIL, the Basic Chemicals Pharmaceuticals and Cosmetics Exports Promotion Council.

- [The Brand Trust Report](#) published by Trust Research Advisory ranked Godrej in 22nd position.

(v) PARLE AGRO:

Parle Agro is an Indian [private limited](#) company that owns several popular brands including Frooti, Appy, LMN, Hippo and Bailey. Several Parle soda brands including Citra, Thums Up, Limca, Gold Spot and Maaza were sold to Coca Cola in 1993 for a reported $40 million. At the time of sale, the Parle brands together had a 60% market share in the industry. The brand was strong in South India. Citra was phased out by 2000 to make way for Coke's international brand, Sprite.

**History:**

Parle Products was founded in 1929 in British India. It was owned by the Chauhan family of Vile Parle, Mumbai. The Parle brand became well known in India following the success of products such as the Parle-G biscuits and Thums Up soft drink.

The original Parle Company was split into three separate companies owned by the different factions of the original Chauhan family:
Parle Products, led by Vijay, Sharad and Anup Chauhan (owner of the brands Parle-G, Melody, Mango Bite, Poppins, Kismi Toffee Bar, Monaco and KrackJack)

Parle Agro, led by Prakash Chauhan and his daughters Schauna, Alisha and Nadia (owner of the brands such as Frooti and Appy)

Parle Bisleri, led by Ramesh Chauhan

All three companies continue to use the family trademark name "Parle".

**Parle Agro**


**Separation from the parent company**

The original Parle group was amicably segregated into three non-competing businesses. But a dispute over the use of "Parle" brand arose, when Parle Agro diversified into the confectionary business, thus becoming a competitor to Parle Products. In February 2008, Parle Products sued Parle Agro for using the brand Parle for competing confectionary products. Later, Parle Agro launched its confectionery products under a new design which did not include the Parle brand name. In 2009, the Bombay High Court ruled that Parle Agro can sell its confectionery brands under the brand name "Parle" or "Parle Confi" on condition that it clearly specifies that its products belong to a separate company, which has no relationship with Parle Products.
Parle Agro Pvt. Ltd operates under three major business verticals:

- Beverages – fruit drinks, nectars, juice, sparkling drinks
- Water – packaged drinking water
- Foods – confectionery, snacks

Parle Agro also diversified into production of PET performs (semi-finished bottles) in 1996. Its customers include companies in the beverages, edible oil, confectionery and pharmaceutical segments.

**Parle Agro Brands:**

**Beverages**

**Citra**

Citra was a clear lemon and lime flavored soda sold in India in the 1980s and early 90s.

**Frooti**

Launched in 1985, Frooti was India's only beverage sold in a Tetra Pak packaging at the time. It went on to become the largest selling Mango drink in the country.

**Appy**

Appy Classic was launched in 1986 as apple nectar and originally available in a white Tetra Pak packaging with an apple and leaf graphic. As of 2011, it comes in black Tetra Pack packaging. It was the first apple nectar to be launched in India.
Appy Fizz

Launched in 2005, Appy Fizz is India’s first sparkling apple drink available in a champagne shaped PET bottle.

Saint Juice

Launched in 2008, Saint Juice is available in three variants Orange, Mixed fruit, Grape and Apple. At the time of its launch, its USP was "100% juice with no added color, sugar or preservatives".

LMN

LMN was launched in March 2009, as non-carbonated lemon drink (nimbu paani or lemonade)

Grappo Fizz

Launched in 2008, Grappo Fizz is a sparkling grape juice drink. Credited with creating the sparkling fruit drinks category in India, Grappo Fizz is along the lines of existing product Appy Fizz.

Cafe Cuba

Launched in 19 May 2013, It’s a new product & first of its kind; Cafe Cuba is a carbonated Cuban coffee, more of a bottled Espresso.

Flavor

Strong Coffee with little sugar, Helps to activate your energy levels up high.

Water

Parle Agro have launched BAILLEY packaged
Food

Confectionary

Mintrox mints (launched in 2008), hard mint candy available in 2 flavors Buttercup candies (launched in 2008), hard boiled candy; it is targeted at kids and adults alike. Buttercup Soft ease, at coffee available in 4 flavors Soft ease Mithai, a toffee available in 3 flavors.

Snacks  Hippo (launched in 2008), baked snack available in six flavors.

Tricks and Techniques of trade in retail marketing

There are many things to do the business but with ethics and positive myths. In this way, today we have been facing the retail business marketing in several dimensions. To point rightly the retail marketing is essential to increase the growth of the economy of the state and country. Hence the conceptual framework regarding the tricks and techniques of retail marketing are presented below. The beginners and the strangers into retail business marketing may come to understand the following, so that they will be enable to do the proper retail marketing. In this modern age of business line, the retail marketing emphasizes and occupies most of 75 per cent of the business market with various sectors like, finance, manufacturing, telecom, transport and others. Hence the below discussed may be helping to do the retail marketing business in a proper way.
1. Display

Visual Displays Photo Gallery

When most consumers think of retail window displays, the Macy’s Christmas Windows come to mind. There have been hundreds of articles and even documentaries filmed about the time, energy and craftsmanship that go into producing these iconic windows. We know that most of your window displays will not require that level of commitment, but with a few weeks and a couple of tips, we may be able to help you sell more products!

Corporate Window Displays

Many of our customers have their window displays sent out by corporate and they just have to pop them into the window. If this is you, GREAT! You may want to take a peek anyways as it is always important to pick up merchandising tips which could be used throughout your store!
POP Window Display Design

There are many factors to consider when setting up your window display! If you get just one of these wrong, it can throw off the look of the entire display and reduce the number of customers who are compelled to enter your store.

Lighting

The first thing that shoppers may notice is lighting. Spotlighting a product can increase demand and ultimately sales. When choosing window display lighting make sure it ENHANCES the look of the window instead of making jarring contrasts and strange shadows.

- Good article about the effects of lighting on sales from the Lighting Research Center
- One more thing to consider is the energy cost of lighting that window is this study on Reducing Lighting Energy Use In Retail Display Windows

Displays

What you use to place your products ON sets the tone for the entire window. If you are selling consumer electronics, generally the displays will be “high tech” or modern with clean lines. These displays should fade into the background. Leaving the products the star of the show. Some neat POP display examples.
Displaying Your Products

Once you have the display surface figured out, you need to consider whether you will have your products showing their function (TVs turned on) or will have the items simply displayed. There are considerations with each option, showing the product in action could drive more sales, BUT a window full of competing items could distract shoppers and cause them to go elsewhere. This is a fine line to walk and simply requires that you set up your display with everything on and then turn things off until YOU are not overwhelmed with all of the options and sparkly lights. If you are comfortable, your prospects will be too!

Signage

Sale, Sale, Sale! Everyone likes a sale, but do you want to be continually reducing profit margins in order to make sales? There are many other reasons to put signage in your window including new products, seasonal offerings, special buys, limited run items and the like. If you start looking for additional signage ideas, you will start to notice that there are many different marketing opportunities OTHER than sale signs.

2. Send a Press Release

One of the fastest ways to spread word about your store, and products or services, is by sending a press release. Media outlets all thrive on press releases every day. The abundance of online news distribution services is now making it easier than ever for retailers to announce new product lines, special events and other shop news.
3. Submit Product Feeds

Retailers that sell products online should most definitely be using product feeds to reach a broader audience. A product feed is simply a file generated from the website that lists product details such as photos, descriptions, pricing and even specials. These product feeds can be submitted to shopping comparison websites, search engines and also made available to customers using feed readers.

4. Share Your Knowledge

There are many ways a retailer can appear as an expert or voice of authority in a certain industry. One way is to host classes, seminars or workshops in-store. Another way is by signing up to teach related continuing education courses at the local college. Internet retailers have known for years that one popular way to share knowledge and gain extra exposure is by writing content for free distribution. Article marketing, as it is known, has the ability to increase awareness of a retailer's presence, online and off.

5. Create a Newsletter

Newsletter and email marketing is key in keeping in touch with the customers you've manage to get in your store or on your website. It takes a lot of work to gain a customer. Why let them leave without offering a way to stay in contact?

Retail Email Marketing

Email Marketing simply works in building customer relationships, growing brand loyalty, and increasing customer traffic & bottom line profits for your retail business. Quality Customer Email List is an essential ingredient for successful Retail
Email Marketing. There is no better place on earth to look for customers to opt into your permission based email list than your own retail location.

No matter what you call your retail email or mobile or twitter marketing program:

- Retail Email List or Mailing List
- Retail Email Club or Retail E-Club
- Retail Birthday Club or Anniversary Club
- Retail VIP/Member Club
- Retail Email Newsletter Subscribers
- Retail Discount Club or Promotion Club or Coupon Club
- Retail Mobile Club or Tweet Club
- Retail Customer Database or Customer Lists

**Three Types of Newsletters**

In the book Do it Yourself Newsletters, Chuck Green describes three basic types or models of newsletters: Promotional, Relationship, Expert. Each type of newsletter shares common characteristics. Determine which model fits the type of newsletter you envision and choose a format accordingly.

**Promotional Newsletter**

This type of newsletter is frequently used by businesses to promote a product or service. It is also known as a marketing newsletter. A promotional or marketing newsletter is typically sent to current or prospective customers free of
charge. Not strictly a sales pitch, the promotional newsletter does strive to turn prospects into customers and customers into repeat customers.

- If you want to publish often and/or quickly try creating single page or postcard newsletters.
- Promotional newsletters could go out as individual mailings, or consider tucking them into monthly statements for existing customers to take the edge off those invoices.

**Relationship Newsletters**

Examples of this type of newsletter are club newsletters, employee newsletters, church newsletters, and alumni newsletters. They focus on the shared interests of the target audience, building or reinforcing a relationship. Typically distributed at no charge, some organizations may send newsletters only to paid members as a perk for paying dues.

- Due to employee turnover or changing club membership, newsletter publishing duties may change hands frequently. To maintain consistency through such changes and to accommodate varying skill levels, create a basic, easy to use newsletter template that allows for easy drop in of articles and photos.
- While a style guide is useful for any newsletter publisher, it's especially helpful when the newsletter publishing duties may get passed around frequently.
Expert Newsletters

Usually subscription-based, these newsletters generally focus on a specific topic and the recipient is someone who has specifically requested the information in the newsletter and is willing to pay for the information. While you always want to put your best work into your newsletter, when people are paying for it, it's even more important to have good content and good design.

Recipients are paying for the content but will notice and be turned off by bad design if it interferes with the enjoyment of the newsletter content. You have the opportunity to be creative in your layout and choice of fonts and colors but keep it consistent with the content and purpose of the newsletter.

- If the newsletter is heavy on text, make liberal use of design features that aid reading including white space. Avoid large blocks of gray text.
- Subscription newsletters are often longer than your typical marketing newsletters. Provide good navigational aids including table of contents, page numbering, and jump lines.
- If photos are important to your newsletter, choose paper and printing methods that don't detract from the photographs. A school or club newsletter may do fine with somewhat grainy photocopied images but that won't generally do for a newsletter devoted to photography, for example. Some newsletters may have characteristics of more than one group.
Newsletters Are Not Ads

Using a newsletter as a marketing vehicle is a great tool for many businesses. However, an effective newsletter design is not just a great big ad for the business. It should include information of interest and of value to the recipient whether or not they use your services or buy your products. Tone down the sales hype. In addition to the wording, avoid a newsletter design that looks like a sales flier, product list, or that too closely mimics your letterhead or brochure.

6. Submit Your Site

Many new website owners submit their site to the major search engines and then sit back and wait for customers to come. While this is an important step for marketing online, website owners often overlook all the other directories available. Look for specialized link directories and niche sites to submit your business information and website. Not only will these directories help increase your link popularity, but they can drive highly targeted traffic to your retail store.

7. Grab Local Listings

Google, Yahoo, Super pages and other directories and search engines are creating tools for local shoppers to find your business, provide maps of location, hours of operation and even coupons. Many of these listings are free with upgrade options for a fee.
8. Create Your Own Commercials

If your store has paid for a print display ad in the local newspaper, you may know how ineffective marketing without spoken word or visual imagery can be. Radio and television marketing may be too pricey for your shop's budget, but there is another option. Video marketing online allows a retailer to extend the reach of their message to a larger audience for little investment. Unlike traditional marketing, producing a unique online ad or video to convey your message or brand your store can have an extremely high ROI.

9. Join Social Networking

Social networking sites like Facebook, MySpace and LinkedIn may or may not help you sell your products but if that's where your customers hang out, maybe you should too. The blogs on these sites can help retailers keep in touch with shoppers, make announcements or feature new merchandise and promotions.

10. Offer an Affiliate Program

One very popular and effective method of Internet marketing for retailers is the affiliate program. This is the process in which a retailer pays one or more affiliates for each sale or customer gained as a direct result of the affiliate's marketing efforts. The retailer generally provides banners, buttons or product feeds for the affiliate's use. Many retailers manage their own affiliate programs while others opt to use a third party to track sales, orders and payments to the affiliate. The amount of
commission or bonus paid out is determined by the retailer and outlined an affiliate agreement. How to Create a Successful Affiliate Marketing Program

11. Give Something Away

Shoppers love to get something for nothing! Retailers know this and have used freebies and giveaways as marketing tools for decades. Pens with the business name on them at the checkout counter and shopping bags with store logo are so commonplace in a retail store that we may not even see them as marketing items. Unfortunately, these items can actually become quite costly. Not all giveaways must be expensive. A big advantage of marketing online is the opportunity to easily and quickly offer contests, coupon codes, product samples and even valuable content as promotional give-a-ways.

The above given hints may be useful for the retail business marketers today. The retail outlets are of several types like super market, hyper market, departmental stores, etc., in this growing modern business age, the people wants to access the retail outlets at their convenience easily. Hence, the retail marketers must find out the way in which the customers are reached for that these like techniques are to be adopted to find a new dimension of profit reach. To conclude, the retail marketing is the lifetime marketing of the country like India, henceforth the concepts and frameworks must have been re-modified to be continual in the field of retail marketing.
Foreign Direct Investment in Retail change rural marketing

According to the draft policy, big retailers cannot enter towns and villages where the population is less than 5 lakhs. Since most of the rural population lives in small clusters, FDI will have zero impact on the 800 million people in rural markets.

Three big opportunities waiting to be tapped for youngsters

Firstly, for the next 10 years, the rural segment is going to literally drive the Indian markets. That translates to great opportunity. Secondly, there is not enough knowledge generation within rural marketing today. As educated young graduates enter rural marketing, the amount of knowledge of various practices inside the discipline will increase. Finally, and most importantly, rural marketing offers limitless opportunities to youngsters in terms of innovation in rural distribution, promotion and so on. It is a virgin market which will provide youngsters an opportunity to innovate.

The next Chapter deals with analysis and interpretation.