

Handle With Care

THE INDIA STORY

Brand Equity spoke to various brand custodians about hand sanitiser consumption patterns in India, the way forward, and what will come after the Covid-19 menace passes.

The term 'flew off the shelves' is too often too loosely used to indicate how hot a product is. But a few months ago, when the novel coronavirus outbreak shook up the world, millions of bottles of hand sanitiser did fly off shelves in places from Miami to Mumbai.

A recent analysis by the marketing intelligence company WARC, highlighted the sharp rise in the sale of hand sanitiser in the US - up by over 650% compared to a year earlier, and 450% compared to Amazon Prime Day. Closer home, Nielsen data showed that among the growth in various FMCG categories, the most prominent one has been for the hand sanitiser - from 11% in the period between November 2019 and January 2020 to 53% in February 2020.

Leading brands Lifebouy (Hindustan Unilever), Dettol (Reckitt Benckiser), Savlon (ITC) and Himalaya have been grappling with production and supply chain issues to meet the sudden surge in demand. ITC announced its plans to change the production line at a newly installed perfume plant in Himachal Pradesh to a sanitiser manufacturing unit, and launched an advanced hand sanitising liquid, Savlon Hexa. The new product is "designed to address the critical and urgent need for effective preventive hygiene needs of the nation," says Sameer Satpathy, chief executive, personal care products business, ITC Ltd.

Meanwhile, several companies have made their maiden forays in the hand sanitiser segment. Among them are Emami, Nivea, Cipla. Others like Zydus (makers of Nycil sanitiser) and Dabur advanced launches for their products.

A quick look at how the early surge in hand-sanitiser brands played out in Corona times.

By Amit Bapna & Priyanka Nair



CavinKare, the company that launched shampoo in a sachet, entered the fray with a sachet sanitiser under its brand Chik. Chairman and managing director, CK Ranganathan, says, "The concept of launching the sanitiser in a sachet and making them available in a typical kirana outlet is an ideal step to ensure safety of the masses at this crucial time."

Along with the organised branded players, there are a number of local and unorganised players that have entered this space with everything from medical-grade hand sanitiser to aloe-infused, scented ones.

Add to that growing list

of sanitisers available in the market, the big alcohobey firms like Pernod-Ricard, Diageo and Bacardi that have repurposed their lines to produce and supply this essential good. Though they are mainly providing sanitisers to healthcare workers and hospitals.

It will be interesting to see what shape their marketing strategies take in the coming few months and once supply chains normalise. Nikhil Ojha, partner, Bain & Company, says "While marketing team resources have been constrained over the past few weeks, they're now shifting to prepare for the post-pandemic times." They are working on matching their CRM or internal audience data to track changes in customer behaviour over the last month, as also looking at changing their media mix, he adds.

It would be interesting to see how many players, apart from the legacy brands, will survive over the long-term once things go "back to normal". Though when that will be is anybody's guess.

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Tarun Arora, CEO, Zydus Wellness

THE MARKETING PLAYBOOK HAS TO CHANGE

"The qualitative understanding of the consumers and their behaviour will now play an even more crucial role in decision making. Predictability is now passé and historical data trends have little to offer in such an extraordinary situation. While the brand strategies may not be significantly altered, the execution changes dramatically. The long-term marketing objectives will now have to be viewed as a series of short-term phased milestones. Both reviews and responses will now have to be real time."

TRUST MATTERS

"Our current priority is to get as much as possible into the market to combat this great challenge that the country is facing today. While there will be many who will enter this segment, trusted brands are what people will choose, going forward, as the situation improves."

Phillipe Haydon

CEO, The Himalaya Drug Company



MAKE ROOM FOR MORE

"Before the Covid-19 outbreak the hand sanitiser consumer market was very niche, and majority of the consumption was "on-the-go" only. That consumption pattern has changed overnight leading to an unprecedented spike in demand. Post the pandemic, this surge will subside, but demand will certainly settle down at a much higher level than what it was in the pre-pandemic stage."

Jayant Khosla,

MD and group head, VLCC

IT IS AN ESSENTIAL

"From a niche product, sanitisers is now in an essential category and that is definitely a big change we've seen in consumer behaviour."

Pooja Sahgal

vice president & head, marketing, Kaya

