

Personal Care Sector in India

An Industry Presentation from *McG*

-A Demo pack of Select Slides-

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Personal Care Sector : Introduction

- **Personal Care products are one of the key constituents of the Fast Moving Consumer Goods (FMCG) sector**
- **The brand wars for increasing “mind share” is intense in this sector - recent years have also seen price wars**
- **With increase in income levels, penetration of mass media, and heightened awareness of personal hygiene, the personal care sector has witnessed strong growth in the recent years**
- **Cosmetics and personal hygiene sector markets were valued at Rs. 196 billion (2005-06) & are growing at 15% per annum**



Cosmetics : An Overview

- **The Indian cosmetics market was valued at Rs. 93 billion & is growing at 8 % per annum (2005-06)**
- **The cosmetics segment is broadly classified as :**
 - **Skin care**
 - **Hair care**
 - **Perfumes & Deodorants**
- **Based on the price factor, the market can further be classified as :**
 - **Popular Brands**
 - **Premium Brands**

Fairness Cream : An Overview

- **Fairness cream accounts for the major share in the overall skin cream sector & is growing at 20 % per annum**
- **The fairness cream market was estimated at Rs. 9.5 billion (2005-06)**
- **HUL's Fair & Lovely & its ayurvedic variant occupy the first position in the Fairness cream market, followed by Cavinkare's Fairever**
- **Emami, in collaboration with Activor Corp., USA has launched the following brands**
 - **Fair & Handsome**
 - **Fair & Ageless**
 - **Fair & Teen**



Fairness Cream : Major Players & Brands

<u>Player</u>	<u>Brand</u>
Cavin Kare	Fair Ever
Emami	Naturally Fair, Fair & Handsome, Fair & Ageless, Fair & Teen
Godrej	Fair Glow
Hindustan Unilever	Fair & Lovely

- Apart from these, there are a large number of regional players in this sector
- In the premium segment, there are a few MNCs such as Chambor of Baccarose & Garnier Synergie of Garnier Laboratories

Anti-wrinkle & Anti-marks Cream : An Overview



- **Anti-ageing products, used to reduce wrinkles & improve skin tone is becoming popular in the Indian market, in the recent years**
- **The products are sold under two categories - anti-wrinkle & skin firming cosmetics - as lotions, cream, sunscreens, eye gels, face packs & moisturisers**
- **The total domestic market for Anti-Marks products was valued at Rs. 130 million (2005-06)**
- **The anti-wrinkle product category in India is largely dominated by multinational companies**
- **Avon & Garnier Synergie are the largest selling brands in this category, followed by premium brands like Estee Lauder, P&G, Christian Doir, L'Oreal & Clarins**

Talcum Powder : An Overview



- Talcum powder is one of the largest sector in the personal care products with 100 % penetration, across all groups of population
- Total market for talcum powder was estimated at Rs. 6.5 billion (2005 - 06) – growth in terms of volume has been almost stagnant in the last few years
- The Indian talcum powder market is characterized by a number of regional players as well as national players
- Major national players are : HUL, Wipro, Cavinkare, Belle Herbals Ltd., Godrej, Manisha Pharma Plast Ltd., Colgate Palmolive, Johnson & Johnson , The Health Care Ltd., Paras Pharma Ltd.
- Colgate Palmolive has recently introduced a variation in perfumed talcum powder - “New Palmolive Auromathearpy Talcum powder”

Talcum Powder : Production Trends 1998 - 2006

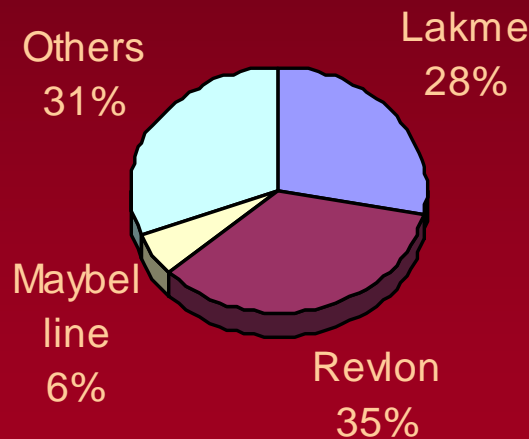
Year	000 t
1998 - 99	11
1999 - 00	16
2000 - 01	19
2001 - 02	21
2002 - 03	22*
2003 - 04	25*
2004 - 05	25*
2005 - 06	30*

* Estimates

Colour Cosmetics : Lipstick

- The lipstick market was estimated at Rs. 2.8 billion (2005-2006), of which organised sector contributes to around 50 % (Rs. 1.4 billion)
- Revlon is the market leader with a market share of 35 %, followed by Lakme & Maybelline
- The domestic market for lipstick has been growing at 11.5% per annum

Major Players & Market Share (%) : 2005- 06



- Other players are :
 - Blue Heaven
 - Paramount Cosmetics
 - Amber
 - Lissome



Skin Care : Introduction



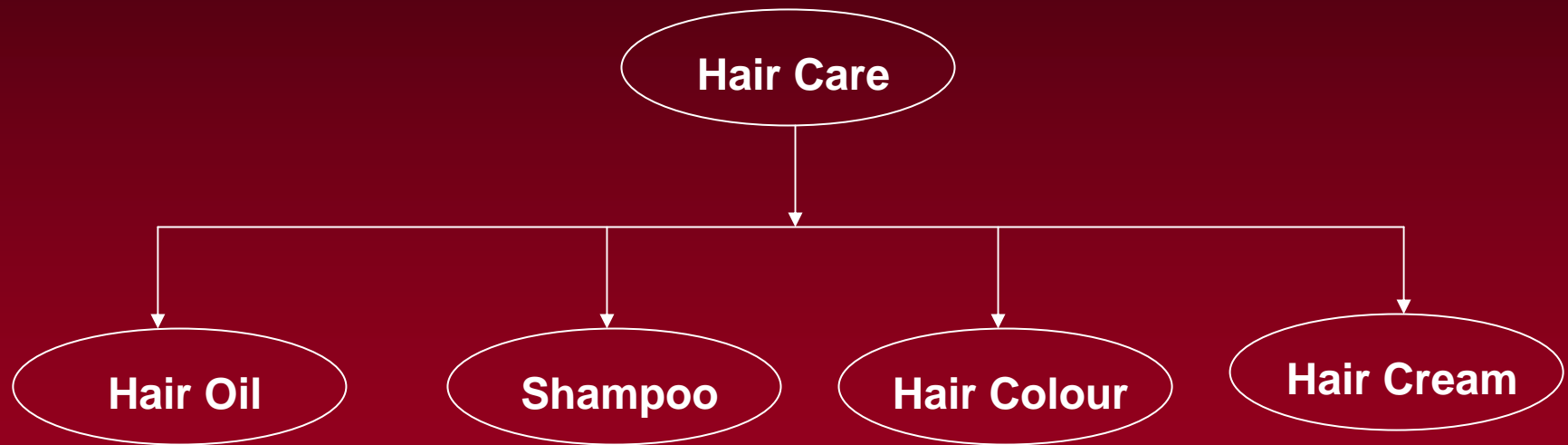
- Usage of cosmetics in India dates back to historic times, when traditional cosmetics were prepared at home using herbal leaves, fruits & vegetables
- Till recently the non- traditional cosmetics were used mainly by middle and upper income groups
- A few well known brands, mainly MNCs, have a major share of the market; Indian brands have made significant inroads over the last two decades
- Imports were made through Indians traveling abroad or NRIs coming to India
- However, the market liberalisation of 1991 has changed the cosmetics consumption pattern in the country

Hair Care : Introduction

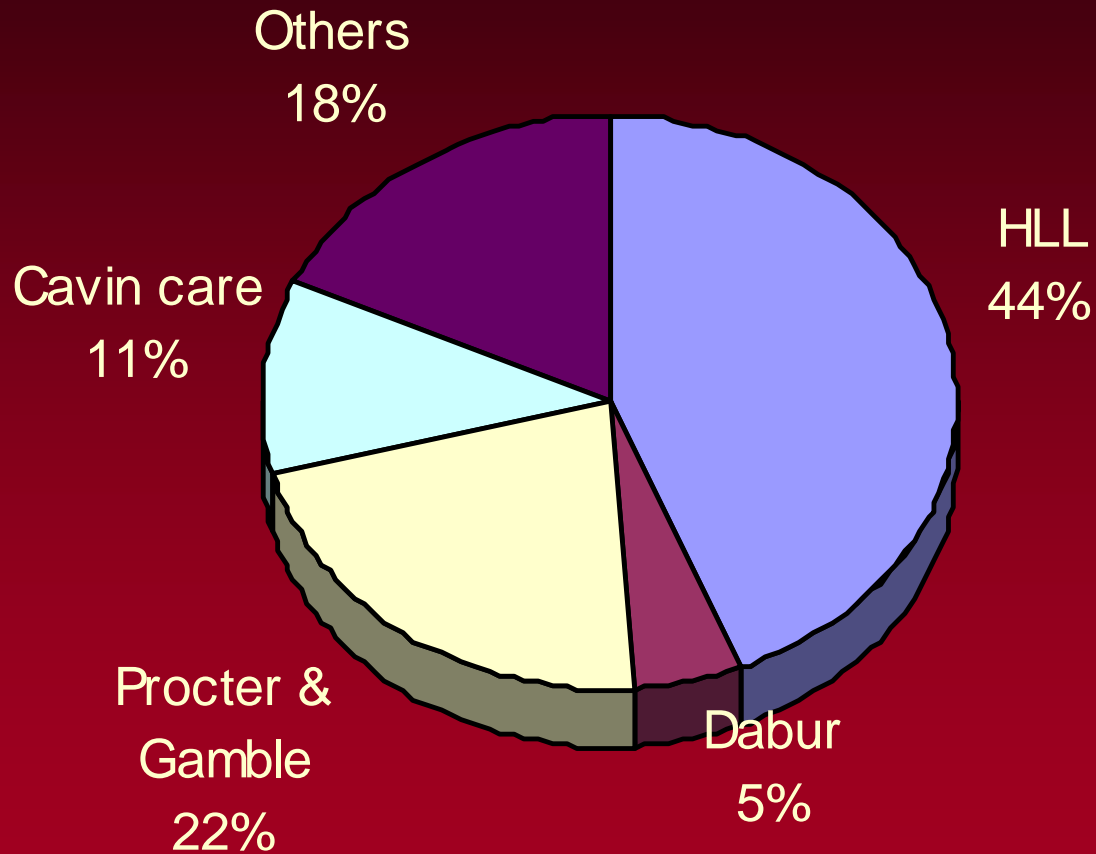
- Hair Care is the largest segment in the cosmetics sector
- Based on the application, hair care products can be classified as :
 - Hair Oil
 - Shampoo
 - Hair Colour
 - Hair Cream
- Hair oil accounts for the major share in the hair care segment
- The market is fragmented with a number of regional players in the unorganised sector
- The total hair care market was estimated at Rs. 41.5 billion (2005 – 06)



Hair Care : Product Classification



Shampoo : Major Players & Market Share (2005 - 06)



Hair Colour : Major Players & Brands

<u>Player</u>	<u>Brand</u>
Godrej	Godrej Hair Dye, Godrej Kesh Kala, Color Soft
J K Helen Curtis (part of Raymond Group, India)	Tru-tone
L'Oreal	Excellence, Majirel, Dia colour, Color Naturals
Modi-Revlon	Color n Hair
Cavin Kare	Indica
HUL	Sunsilk

Perfumes : Major Players & Brands

Players

Baccarose

Raymond

Procter & Gamble

Revlon

Oriflame

CavinKare

Coty

Brands

**Azzaro, Escade, Burberry, Ferrari, Lacoste,
Nina Ricci, etc.**

Park Avenue

Old Spice

Fire & Ice, Charlie Red & Charlie White

Glacier

Spinz

**Wild orchid, Exclamation, Masumi, Vanilla
Fields, Jovan Rusk, etc.**

Oral Care : Introduction

- **Oral Care includes toothpaste, toothpowder, toothbrush & mouthwash**
- **Usage of tooth paste & tooth powder varies across the rural & urban areas**
 - **52 % of urban & 48 % of the rural population use toothpaste**
 - **29 % & 31 % of the urban & rural population use toothpowder**
- **The oral care market was valued at Rs. 36.5 billion (2005 - 06) & has over 70 % penetration in the urban sector**
- **Toothpaste accounts for 60 % of the oral care market, followed by toothpowder at 23 % & toothbrush accounting for 17 %**
- **HUL & Colgate-Palmolive are the major players**

Toilet Soap : An Overview



- Toilet soap is one of the dynamic segments in the personal care sector
- Many new brands are being introduced frequently & some of the brands are withdrawn from the market
- Market penetration of toilet soaps is around 88 % , but per capita consumption is low are 800 gms as against 6.5 Kgs in USA, 4Kgs in China & 2.5 Kgs in Indonesia
- Based on the pricing structure, toilet soaps are classified as : Premium, Economy & Popular segments
- Based on the usage, toilet soaps can further be classified as : men's soap, ladies' soap, infants soap & common soaps
- There are a few speciality soaps such as transparent glycerin soaps, sandal soaps, specially flavoured soaps & medicated soaps, which are normally targeted at higher income groups

Toilet Soap : Major Players & Brands

<u>Company</u>	<u>Brands</u>
Colgate Palmolive	Palmolive Extra Care, Palmolive Naturals, Aroma Therapy
Godrej Consumer	No. 1 Natural, Cinthol, Fair & Glow
VVF Ltd	Doy, Doy Care Aloe Vera, Jo, Shiff
Henkel Spic	Margo
HUL	Lux, Lifebuoy, Liril, Hamam, Breeze, Dove, Pears, Rexona

Toilet soaps : New launches

- Some of the key players have launched new variations & the key ones are listed below :

<u>Company</u>	<u>Brand</u>
HUL	Lux - Chocolate seduction, Aromatic Glow, Festiva Glow, Pears, Pears Juniors, 'Rexona with Lux',
Reckitt Benckiser	Dettol Cool
VVF Ltd	Doy princess (olive Oil)
Jyothi Lab	Jeeva
Godrej	Evita, Vigil
Anchor	Dyna
Marico	Manjal



Men's Care Products : Introduction

- **Personal care products have now become gender specific**
- **Mens grooming products include : shaving preparation products, shaving razors / blades & after shave lotion**
- **The market for male grooming products was estimated at Rs. 14.5 billion & is growing at 24 % per annum (2005-06)**
- **Apart from grooming products, face creams for men are becoming popular in the domestic market, which was valued at Rs. 2 billion (2005-06)**
- **Some of the key brands in men's face cream products are : Fair & Lovely Menz Active and Emami's Fair and Handsome**
- **Some of the other men's personal care products that have significant share are Sara Lee's Brylcreem Talc and Helene Curtis India's Park Avenue International Soap**

Men's Care Products : Major Players & Brands

- Some of the major players & brands in the after shave lotion segment are :

<u>Player</u>	<u>Brand</u>
Gillette (India) Ltd.	Gillette
Godrej	Godrej Shaving Cream
Procter & Gamble	Old spice
HUL	Axe, Denim
Raymonds	Park Avenue
J L Morrison	Nivea Shaving Cream
Colgate-Palmolive	Palmolive Shave Gel

Personal care Sector : Recent Developments

- **Some of the acquisitions that have taken place in this sector are :**
 - **Marico Acquired HUL's Nihar Brand in 2006**
 - **P & G Acquired Gillette India in 2005**
 - **Godrej Consumer Products Ltd (GCPL) acquired Keyline Brands Ltd., UK , recently**
- **Some of the recent entrants into the personal care sector are :**
 - **ITC has entered the toiletries segments under the brand superia**
 - **Ruchi Soya Industries Ltd has launched toilet soaps under the brand Ruchi No.1**
 - **Tupperware India, is planning to enter the beauty care segment**

Colgate Palmolive Pvt. LTD.

- **Colgate - Palmolive was incorporated in India as a private limited company in 1937**
- **The company has a significant presence in the personal care sector & is the market leader in the oral care sector**
- **Sales Turnover : Rs. 12.2 billion (2005-06)**

Products

Brands

Creams & Toners

Palmolive Brilliantine

Tooth Powder

Colgate, Cibaca

Tooth Paste

Colgate Total, Colgate Gel, Colgate Herbal, Colgate Dental protection, Colgate Max Fresh

Tooth Brush

Colgate

Toilet soap

Palmolive Extra Care, Palmolive Naturals

Shaving Products

Palmolive

Marico Industries

- **Marico Industries were the pioneers in branding hair oil**
- **The company created a new market for hair oil with their brand "Parachute"**
- **Marico offers many variants in hair oil, such as Parachute Jasmine Fragrance**
- **As a new product, the company has introduced "Parachute Nutri-sheen Liquid" & "Parachute Nutri-sheen cream", which directly competes with Hair Creams & Gels**
- **Marico is also one of the market leaders in the Anti-Dandruff Shampoo "Mediker"**
- **The company has launched anti-dandruff oil "Mediker" hair oil**
- **Marico acquired HUL's hair oil brand "NIHAR", recently**
- **With over 6 major acquisitions, the company claims a 22% share in the hair oil segment**
- **Sales Turnover : Rs. 10.5 billion (2005-06)**