

# Surf Excels as HUL's Top Brand, Nets Over ₹5,000 crore in Sales

Increased focus on premium products in detergent market paying off, says FMCG major

Sagar.Malviya@timesgroup.com

**Mumbai:** Surf Excel posted more than ₹5,000 crore in annual sales last year, becoming the first Hindustan Unilever brand to top that mark, driven by the company's increased focus on premium products in the detergent market.

Surf, launched 60 years ago, recorded sales of ₹5,375 crore in the past year with a market share of 17.9%, industry executives citing Nielsen data said. It accounted for roughly 14% of the company's net revenue and 45% of its laundry segment sales. Nielsen didn't respond to a request for comment.

Surf in 2018 upstaged the mass-market Wheel brand that had historically dominated HUL's portfolio in the laundry product segment. HUL didn't comment on the market share, but a spokesperson told ET that its efforts towards premiumisation of the segment through liquid detergents and fabric conditioners were yielding strong results.

"HUL's laundry category continues its growth momentum with performance driven by a relentless focus on core and market development initiatives," the spokesperson



## Top of the Pile

Surf Fact File

Launched 60 years ago

Has a market share of 17.9%

It accounts for roughly 14% of co's net revenue

It contributes 45% of co's laundry segment sales

| Fig in % | 2017 | 2018 | 2019 |
|----------|------|------|------|
| SURF     | 16.1 | 16.7 | 17.9 |
| HUL      | 39.1 | 38.2 | 39.1 |
| GHARI    | 19.5 | 19.4 | 19.2 |
| P&G      | 10.7 | 10.5 | 10.8 |
| NIRMA    | 4.7  | 4.2  | 3.7  |

SOURCE: Industry Officials Quoting Nielsen PERIOD: JAN-DEC

added. Surf, the original market leader in the detergent category, was evicted from the top spot in 1985 by Ahmedabad-based Nirma's eponymous brand. This led HUL to launch the lower-priced Wheel to take on the new rival.

Wheel captured the top spot back for HUL and managed to hold the position between the early 1990s till 2012, when Kanpur-based RSPL's

Ghari brand edged it to be the market leader. Surf is fast narrowing the gap with Ghari. It added 1.8 percentage points over the past two years in market share, while Ghari's share has remained unchanged at 19.2% with annual sales of ₹5,756 crore in 2019.

A top RSPL said the company is trying to push growth and expand market share. "We are launching

machine wash variants, entering the modern trade channel and expanding geographical reach to generate higher sales growth this year," president Sushil Kumar Bajpai said. The brand has a minuscule share in modern trade but is by far the leader in general trade, he added.

At an overall level, HUL, which also owns Rin and Sunlight, has a 39.1% share in India's laundry care market worth ₹29,959 crore. With the segment having hundreds of local mass-market rivals, HUL has been gradually launching higher priced variants and formats that resulted in the category growing nearly 11% for the company last year, compared with 6% in 2018. As a result, HUL's share in the premium laundry market is more than 77%, compared with 22% in the mass segment and 44% in the mid-priced category, executives said, citing Nielsen data.

Last year, it launched another premium product, Love & Care, for special fashion fabrics. With increasing penetration of washing machines and lower-priced detergent powders, laundry care consumers are shifting from bar detergents to powder detergents, a factor triggering growth in the category.