“A Study of Emerging Trend of Hindustan Unilever Limited (FMCG) of Bath Soap product in Vadodara City”

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ABSTRACT

The MBA is a career course. The primary goal of doing an MBA is to learn the management skills that allow us to become a good manager in life. One can not produce success stories in the management sector if he is not a successful learner. In order to reach and achieve desired goals and heights, one needs to be a strong learner to sharpen his skills in the specific area.

With a history of over 80 years, Hindustan Unilever Limited (HUL) is India's largest Fast Moving Consumer Goods Company. Like soaps, detergents, shampoos, skin care, toothpastes, deodorants, cosmetics, tea, coffee, frozen treats, ice cream, and water purifiers, more than 35 brands cover 20 categories. Five million retail stores sell soaps, of which 3.75 million retail stores are in rural areas. The availability of these goods is, therefore, not a concern. 70% of the population of India lives in rural areas, so about 50% of the soaps is sold in rural markets.

Unilever was the result of a merger back in 1930 between Margarine Unite, the Dutch margarine firm, and Lever Brothers, the British soap-maker. Unilever has been the undisputed industry leader for 70 years, but now faces difficult competition from Proctor & Gamble and Colgate-Palmolive.
This report is divided in two parts. The first part gives the basic information about the project, the industry and the second part gives the same for company within the same industry.

**Key Words:** - “A Study of Emerging Trend of Hindustan Unilever Limited (FMCG) in Vadodara City”

**INTRODUCTION**

With a history of over 80 years, Hindustan Unilever Limited (HUL) is India's largest Fast Moving Consumer Goods Company. Nine out of 10 Indian households use our products every day to feel good, look good and get more out of their lives – giving us a unique opportunity to build a brighter future.

Every day, HUL strives to build a better world and make people feel amazing, look nice and get more out of life with good brands and services for themselves and others.

The business has approximately 21,000 employees and revenues of INR 38,273 crores (FY 2019-20. HUL's 2019 annual turnover is EUR 52 billion. Unilever has a shareholding in HUL of over 67%.

**Introduction of HUL Bath Soaps Market**

In five million shops, soaps are available, of which 3.75 million are in rural retail stores. Therefore, the supply of these items is not a problem. 70% of India's population lives in rural areas, so about 50% of soaps are sold in rural markets.

**HUL Indian Market**

As affluent Indian households, a young population, and increased retail penetration drive consumption, India could become Unilever's largest market, said Sanjiv Mehta, chairman and managing director of Hindustan Unilever Ltd. (HUL).

**HUL Bath Soap Industry Overview**

The Bath Soap industry is one of India's oldest Fast Moving Consumer Goods (FMCG) markets. It is one of the largest penetrated groups in the FMCG market, reaching an estimated 99% of urban and 97% of rural households. The main feature of the industry was strong competition and a high degree of brand growth.
OBJECTIVES

- Project Shakti provides rural women with marketing activities that allow them to improve their financial condition.
- At their door steps, rural customers are expected to get their necessities, so-called company goods, at a fair price.
- To learn about the different brands of HUL bath soap and their business sustainability.
- To explore the rivalry held for HUL in the bath soap industry.
- To assess the market for clients.

BACKGROUND OF THE STUDY

HUL was established as Hindustan Vanaspati Manufacturing Co. in 1931 and was renamed Hindustan Lever Limited after the merger of the constituent groups in 1956.

Hindustan Unilever Limited is the Indian arm of Unilever, an Anglo-Dutch company. Both Unilever and HUL have established themselves well in the fast-moving consumer goods (FMCG) category.

Hindustan Unilever Limited (HUL) is a Mumbai, India-based Indian consumer goods firm. It is a division of the British corporation Unilever. Food, drinks, cleaning agents, personal care products, water purifiers and other fast-moving consumer goods are among its products.

PROBLEM STATEMENT

It is found that the problems currently facing Hindustan Unilever Limited are increasing the input costs and operating costs. Due to increased raw material costs, increased imitative and spurious products and stiff competition from other FMCG players.

There is a slowdown in the global economy and the problem that began in the financial sector has rapidly spread to other sectors affecting not only the US but the global economy. Most of India's domestic sectors are also affected, including the country's export performance and the FMCG sectors.
LIMITATIONS OF THE STUDY

In any kind research study, there are always some limitations of it.

- The result of the study is limited because only 50 samples have been selected for the study from all consumers in Vadodara city.
- This data is collected through the questionnaire on online mode there may be possibility of; they may not fully loyal in answering the questions.
- This method is time consuming.

REVIEW OF LITERATURE

JOHN R. DILLON (1991) addressed numerous determinants of consumer behavior, such as income, age, gender, faith, and other financial foundations, and reached a consensus that their decision was transparent to the customers. Chosen in their research on the inclination of shoppers to beauty care products that the consideration of customers will be on the cost and usefulness of beauty care products.

RUSSO AND FRANCY (1994) by following eye obsessions in a research centre re-enactment of grocery store shelves, the concept of the decision procedure for periodically obtained on durables was tested. The findings are entirely good with the general view that the decision-making procedure is designed to adapt to the prompt purchase condition. While portraying the direction of shopping.

MISHRA PRASHANT (1996) In order to have an inward and outward understanding of the Indian customer, and to dissect the components affecting his purchase choices, it is necessary to guide contemplates in relation to his condition, his segment factors, culture, and level of presentation.

DATA ANALYSIS AND INTERPRETATION

Aware about personal care product

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
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<tbody>
<tr>
<td>Number</td>
<td>94%</td>
<td>6%</td>
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</table>
Interpretation:

It is found that 94.4% of the people are aware about the personal care product of HUL. Rest of the people doesn’t aware about product of HUL.

Interpretation:

It is found that 91% of the people are aware about the HUL product. They can also use HUL product. Rest of the people doesn’t aware about product of HUL.

Interpretation:

It is found that most of the people like Dove i.e. 41%, then the demand of life boy is 20%, Lux is 19%, and other 20% people used different shop. Rest of the people use other soaps like breeza Dettol etc.
Interpretation:

It is found that 50.5% of the people are switchover to another brand because of Lack of changes in existing brand. And 28.9% of the people say that price raises high that why switching to another brand. Some 16.9% of people say effective advertisement of different product that why switching to other brand. And 3.7% people only for experience of new product used that why they switching to another brand.

Interpretation:

It is found that 54% of customers are say that if brand product is is few expensive so we move on to another brand. Only 13% of customers are not move on to another brand because he used same brand of product. Product is few expensive so we move on to another brand.
Interpretation:

It is found that 50% of customers are say that an advertisement is influence of buying behavior of product of the brand.

RESEARCH METHODOLOGY

A research methodology is the arrangement of the conditions for the collection and analysis of data in such a way as to combine relevance for research purposes with economics in the process. Analysis will be based on the data collection.

RESEARCH INSTRUMENT

- Here, this project analysis is carried out by collecting secondary data from different websites, journals, etc.
- This Primary data are collected from various blogs, journals, newspapers, industry research articles are pre-published and research data collected.
- Then by observing these graphs we have made our conclusions and recommendations.

RESEARCH DESIGN

- The study is based on survey method. The aim of the study is to identify the challenges and how they overcome to it.

SOURCES OF DATA

- Data for analysis can be collected by using both primary and secondary data, as well as by reference to the current situation of the newspaper and magazine article for further information.
DATA COLLECTION METHOD

The data has collected from primary & secondary sources.

**Primary Data:** - A survey was conducted using a structured questionnaire. The study was conducted between consumers using bath soap and conducted a personal interview to gather the required information.

**Secondary Data:** - The main objective of the project is to examine the competition in the acquisition of market shares of different bath soap brands as opposed to the buying behavior of bath soap products by the HUL brand and the customer.

SAMPLE PLAN

- Samples are selected using the following two sampling techniques:
  1. Simple random sampling
  2. Convenience sampling.
- The selection of respondents was done on the basis of convenience sampling (Non-probability)

SAMPLE LOCATION:

- Consumers of in Vadodara city.

DATA COLLECTION INSTRUMENT

- Data collection instrument is Questionnaire only.

STATISTICAL TOOLS

- Percentage method and graphical.

FINDINGS

The entire data analysis is based on the data collected through questionnaire which consist of almost 50 respondents including teaching and non-teaching of customer and and supper market.

- Psychological factors have a significant impact on consumers buying behavior.
- HUL has the highest market share in both soaps because it operates in all segments of bath soup.
- The survey project found that consumers prefer quality as well as fragrance at the time of purchase of bat soap.
- No new products are available in HUL.
Suggestions & Recommendations

- If the company wants to increase its sales and consumption, it is suggested that it should continuously deliver its soap in combo packs.
- The market share of HUL's bath soap is higher than that of bath soap companies, but if we see the individual performance of each HUL bath soap some brand is missing somewhere, then it is suggested that the company pay attention to the individual performance of HUL's bath soaps.
- Psychological factors influence the behavior of the buyer, i.e. quality motivates the customer to buy the product.

CONCLUSION

Thus, it can be understood from the study of HUL that, since it is so large and so extensive in brands, it has given equal importance to each of its products and services.

It is found that in research HUL is the largest manufacturer of soaps, its market share decreased from 42.3 per cent in the year ended December 2017 to 38.9 per cent in the last calendar year.

A study shows that total demand growth is 7% in a year. This means that the generation of incremental demand is 5% above and above population growth.

Research shows that Unilever is a strong financial company with a 67 per cent stake in Hindustan Unilever Co. Ltd. HUL also launched the project SHAKTI, which provided it with direct access to the rural market.

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