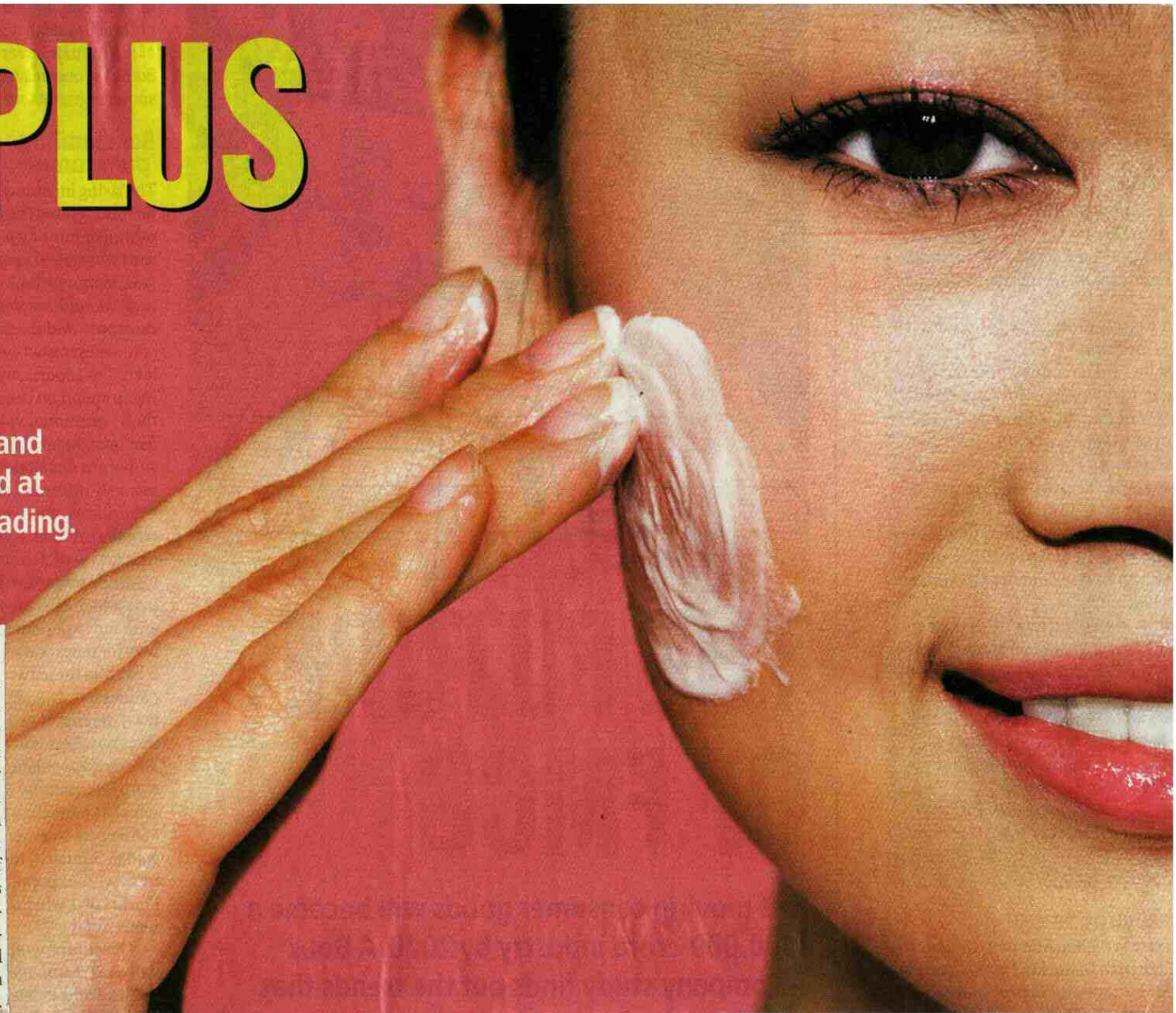


# BORO PLUS MORE

Emami is extending the Boroplus brand with new skincare products targeted at the mass consumer who is fast upgrading. Can it gain more market share?

Sayantani Kar

In the skincare market worth ₹4,600 crore, Emami's Himani Boroplus antiseptic cream is the second largest with ₹200 crore in annual sales. A brand established in 1984, it is second only to Hindustan Unilever's Fair & Lovely fairness cream (it sells well over ₹1,000 crore) in size. It has stayed focused on the mass end of the market — not a bad strategy for an emerging market. There is now a bewildering range of creams, lotions, butters, serums, scrubs and face-washes which promise benefits that range from instant fairness to better moisture, protection from the sun and anti-ageing. And consumers have begun to upgrade because incomes have risen.



Boroplus, till recently, had strolled around since the 1980s, it has been overtaken by Dermicool from Paras. Last year, Emami had extended Boroplus to summer and winter lotions. The idea was to get a share of the lotion market as well. (Lotions are the second-largest segment in skincare after creams.) These were launched to compete against Vaseline in the popular segment.

## New offerings

Now, Emami has drawn up plans to come out with a cream for fairness in the winters, another one for nourishing knees, elbows and ankles and a sunscreen. Emami has also launched other skincare brands such as MalaiKesar, Vasocare and PureSkin which will play in niches. Malaikesar, with a cold cream and soap, is targeted at the young go-getter; Vasocare is a line of herbal petroleum jelly; and PureSkin will have more therapeutic products. Won't the Boroplus extensions hurt these brands? IIFL Analyst Arnab Mitra is not worried about cannibalisation within Emami's skincare brands. "Companies prefer cannibalisation rather than lose share to competition. Emami is trying to ensure that when its Boroplus antiseptic cream users evolve, they will stay with the brand's lotions," says he. "Emami had launched Boroplus summer and winter lotions last year which made ₹12 to 13 crore; this makes around 6 per cent of the overall brand sales, and is quite good."

Boroplus Healthy & Fair Winter Cream, which is being rolled out, addresses the need of fairness cream users who find their

Emami has used this strategy to create four brands worth over ₹100 crore: Navaratna hair oil, Fair & Handsome fairness cream for men, Boroplus and Zandu balm. These are all categories not of much interest to most multinational corporations, perhaps with the exception of men's fairness cream category.

Boroplus was Emami's first big success. As a rival to GD Pharmaceutical's Boroline, Emami took the brand to markets Boroline didn't service. It kept it branded as Himani Boroplus (a company Emami had bought in the 1980s) to align it with the ayurveda lineage. The time has come to leverage its nationwide presence. "Despite being a power brand, Boroplus was not present in the categories that had become popular. It was time we extended its equity to other categories," says Emami Director Harsh Agarwal.

However, the new products under Boroplus are not the first of their kinds in the market. But Emami is confident that differentiation will help. Boroplus Senior Brand Manager Pradeep Kumar says: "The mass end of the market keeps shifting between cold cream, petroleum jelly and antiseptic creams. It is warming up to the idea of value-addition to basic creams." Consumers, in other words, are moving up the value chain, which provides opportunities for a mass brand like Boroplus. Emami's target audience, Kumar points out, is the socio-economic categories C, D and E. Of the nearly ₹5,000-crore skincare market, only 12 to 13 per cent is accounted by the masstige (between mass and prestige) and prestige segments, according to analysts. The rest belongs to the mass segment where prices range from ₹10 to ₹30 a pack. Hindustan Unilever with Fair & Lovely, Pond's Cold Cream and Vaseline petroleum jelly along with Ayur, CavinKare and other local players are present in that segment.

Emami has extended the Boroplus brand in the past. Boroplus Talc is the third-largest prickly heat talcum powder in the market. Though it has been

creams inadequate to battle dry skin brought on by the winter. This cream combines the promise of fairness along with winter protection. "We will retain the core promise of protection with all the Boroplus brands," says Kumar. Yet, it is not the first to act on this insight. Hindustan Unilever had got off the block with its Fair & Lovely Winter Fairness Cream last year. A Hindustan Unilever spokesperson says: "It was launched to trade users from moisturising creams to a higher order of benefits such as skin lightening."

Boroplus Intensive Skin Therapy Cream for hands, knees, heels and elbows is geared to talk to the petroleum jelly user who has not yet graduated to using a body lotion. "This product will talk to both users of petroleum jelly and those who resort to home remedies," says Kumar. Boroplus Sunscreen lotion is being tested to help it tap the demand for lotions with added sun-protection. The sunscreen lotion has been soft-launched in Kolkata. It is looking to exploit the glaring price gap in sunscreen lotions — except for some regional brands and small indigenous brands such as Ayur, sunscreen lotions are at the premium end and account for ₹140 to 160 crore. "It is still a small market because there is no formidable mass brand," according to Agarwal.

## Target it right

With an improved supply chain, Emami can handle seasonal products both for winter and summer. With the onset of the winters, Emami will concentrate on Boroplus's winter products in the markets for cold cream and petroleum jelly. "The markets of Uttar Pradesh, Bihar and West Bengal will be our focus," says Kumar. Boroplus' brand ambassador, Kareena Kapoor, will star in the TV campaign for some of the extensions.

Will it work? V Sitaram, the former chief operating officer (consumer care) of Dabur, notes: "Emami's individual brands tend to be larger than the corporate identity; so integrating the different products might be a challenge." Emami is mulling a campaign that will tie up all Boroplus offerings. It will help underline the relevance of each against the other. Emami has also engaged in offbeat ground activations. For the flagship antiseptic cream, it tied up with groups performing folk theatre in Bengal called *jatra*, which draw around 70,000 people, to weave the brand in dialogues and situations on the stage. "It is not in the form of an ad but more of instances of a character using the cream to heal another," says Agarwal. It stepped up promotions in vans in areas where it does not service retailers directly. The increased visibility and sampling has led to an increase in revenue from these areas. Emami will also take the cream to the local markets that are held weekly.

While Madhya Pradesh and Chhattisgarh are some of its biggest markets, it is focussing more on those regions where Boroplus has market share of 50 per cent or less, such as Bihar and Uttar Pradesh. Radio will be used extensive-



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ly in Uttar Pradesh and Bihar where Boroplus will compete with petroleum jelly. Out of the 2.8 million retail outlets where Boroplus is available, Emami services 900,000 directly. It is working with the trade to get the product placement right — placing its winter fairness cream up-front, unlike its antiseptic tubes.

The next piece of the jigsaw is the price. "We are looking at the first-time user of lotions and such value-added creams. Hence, we will keep our price well within their reach," says Kumar. Analysts point out that skincare companies have been able to penetrate only 23 per cent of the market, the rest of the population does not use branded skincare at all. Mitra says: "But rural markets are accepting more of packaged skincare, their aspirations stoked by television and on-ground activations by companies." Most brands have entered rural markets with the help of smaller packs, but Mitra points out the grammage will count as well. Maximum price for the new extensions is ₹45

for 45-50 ml bottles

The competition in the mass skincare market is not sitting idle either. To recruit new users into the mass segment, Hindustan Unilever has launched a moisturising cream under Vaseline which is focused on the mass end of the market.

The Hindustan Unilever spokesperson says: "We have also re-launched the Vaseline petroleum jelly with special focus on the rural market." To safeguard it from spurious products, the company is educating rural consumers to identify the original Vaseline packs and the benefits of petroleum jelly. A Fair & Lovely tube priced at ₹20 has been launched to make it more accessible. Still, observers say Emami is right in extending within the mass market, rather than increasing the price to tap consumers in higher rungs. "There have been mass cold cream brands which have diversified in premium categories, leaving their mass franchises undefended and new brands such as Dabur Gulabari have closed in," Sitaram says.

The new Boroplus creams are being launched in eastern and northern India, while the sunscreen is still being test-marketed. Emami has started on the tall task to wean the target audience away from their basic skincare regimes. 🐘

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