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**HINDUSTAN UNILEVER LIMITED: ALIGNING TALENT STRATEGY TO ADDRESS
MARKETING CHALLENGES**

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Hindustan Unilever Ltd: Operations and Performance

In 2008, Hindustan Unilever Limited (HUL) with a turnover of over Rs.17000 Crores was India's largest Fast Moving Consumer Goods company, touching the lives of two out of three Indians (reaching 70 crore Indian consumers). It was a subsidiary of Unilever which had a global sales turnover of \$59.3B and profits of \$7.3B in 2008 and was ranked 121 in the list of Fortune 500 companies. Unilever had 270 brands of which 11 were above €1bn each; these brands were marketed in 200 countries. The HUL portfolio included Soaps and Detergents (49%), Personal Care Products (29%) & Foods (20%) in 2008-2009 (Annual report 2008). It had around 15,000 employees, including over 1,300 managers in 2008. With over 35 power brands, HUL met everyday needs for nutrition, hygiene, and personal care. HUL's brands like Lifebuoy, Lux, Surf Excel, Fair & Lovely, Pepsodent, Kissan, Knorr-Annapurna etc were household names across the country and span many categories - soaps, detergents, personal products, tea, coffee, branded staples, ice cream and culinary products. They were manufactured in over 35 factories across India and the operations involved over 2,000 suppliers and associates. HUL's distribution network, comprising about 2,000 redistribution stockists, covering 6.3 million retail outlets reaching the entire urban population, and about 250 million rural consumers.

HUL which completed 75 years of operations in India in 2008 occupied a unique space in the Indian corporate landscape.

“Levers has always stood out from the other multinationals in India by virtue of its size, its pioneering positions, its vast range of products, its management talent which has benefited both itself and many other companies staffed by ex-Leverites. There were companies and there was Levers and off late the rise of Indian companies like Reliance and Tata has robbed it of some of its status, the company is still hardly just another multinational.”ⁱ

It has however not been all hunky dory for HUL in all its years of existence. Though HUL recorded CAGR of sales by 22% and profits by 32% in the nineties its sales grew only by a CAGR 4.96% and net profits by 7% during the 1999-2008 period. The sales, net profits and sales growth relative to GDP growth during the period 1999 - 2008 are given in Exhibits 1,2,3 respectively. The sales contribution of different categories to HUL total sales in 2008 is given in Exhibit 4. Exhibit-5 details the major organization initiatives and market developments during the 1995-2008 period.

ⁱ “Lever’s address to the Nation”, Economic Times, 05-04-2008, p. 16.

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