

THE WAY FORWARD

Home care sector urged to accelerate innovation, maintain quality, and focus on consumers' evolving needs

The home care sector is at a pivotal point of its growth trajectory – a 'business-as-usual' approach could sink the sector, however focussing on innovation, keeping quality as a benchmark and keeping ahead of consumers' changing demands will ensure sustained growth in the coming years.

This was the key message delivered by Mr. Sanjay Trivedi, Founder Director, Indian Home & Personal Care Industry Association (IHPCIA), during the recently concluded virtual seminar organised by the Association on the theme 'The way forward for the next decade for the home and personal care industry'.



Mr. Sanjay Trivedi, Founder Director, Indian Home & Personal Care Industry Association (IHPCIA)

"In the new normal we require a change in the way of doing business with an increased focus on liquids and concentrated products, which require less minerals and fillers, less water, and are more energy efficient. The focus should shift from 'cost' to 'performance' of end products. Standards will need to be rewritten and chemical management will see a revised focus on making green products which are more sustainable," he surmised.

"Brands will not matter as much as affordable products that perform with less water and require reduced efforts for cleaning and washing," he pointed out.

Due to the COVID-19 induced shutdowns, the small & medium scale sector in the home care industry had been the hardest hit due challenges in logistics and supply chain management, despite the increased demand for products. The challenges of doing business have compounded, and many small industries will close or consolidate, cautioned Mr. Trivedi.

Domestic players can emerge as growth drivers provided the government extends the support and infrastructure required for this outreach, he opined. "The industry will also need to focus on the environment and have policies to support a circular economy for plastics and ensure recycle & reuse. Green technologies will have to emerge, based on bio-sciences, enzymatic technologies and

use of locally available ingredients," he pointed out.

Focus on research

In his special address, Mr. Nitin Gadkari, Union Minister for Road Transport & Highways and the Minister of Micro, Small and Medium Enterprises (MSMEs), acknowledged the importance of the Indian home & personal care (HPC) industry, especially in the context of its role in tackling the COVID pandemic.

He said MSMEs, which account for a huge chunk of the HPC sector, can contribute immensely to the success of the government's key initiatives of 'Aatma-nirbhar Bharat' (self-reliance) and 'Swachh Bharat' (Clean India).

"Innovation, entrepreneurship, science & technology research, conversion of knowledge into wealth is the future for this industry," he said and urged the HPC sector to collaborate with leading academic and research institutes in the country to



Mr. Nitin Gadkari, Union Minister for Road Transport & Highways and the Minister of Micro, Small and Medium Enterprises (MSMEs)

accelerate research into sustainable alternative solutions and become more competitive. The minister also underlined the huge export potential in the sector, but urged companies to not “cut corners” in quality of their products in quest for more profits.

Speaking about the role of MSMEs in driving growth in the sector, Mr. Ranjit Thorat, Founder President, Maharashtra Small Scale Soaps and Detergents Manufacturers Association, said with almost 95% of all businesses in India falling under the MSME category and India having the youngest population in the world, “this 95% MSME businesses led by motivated, young leaders, can propel India to its pinnacle.”

He further said, “The government should grab this opportunity and create a conducive environment for businesses to flourish. Tax exemptions are not the only way to do this, but MSMEs can be motivated if they are respected publicly and appreciated openly for complying to timely tax payments, for expanding manufactur-



**Mr. Ranjit Thorat, Founder President,
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ing facilities, and generating employment.”

He said the scope for growth in the home care sector for SMEs is “unlimited” as they have a better understanding of the nation’s geographical diversity, regional & cultural choices, religious compliances, etc., as compared to MNCs. “The ‘Swachh Bharat’ mission will further pave the way for deeper penetration into rural markets and unexplored pockets of the country. However, SMEs will have to ensure consistent quality, prompt service, and better reach,” Mr. Thorat noted.

The SME soap & detergent players will need to switch to newer inputs like oleochemicals, glucosides, plant-derived surfactants, etc. to become ‘Aatma-nirbhar’, he advised.

However, unlike the home care sector, he noted challenges for SMEs in penetrating the personal care market, considered as the domain of MNCs and large business houses with considerable resources. The personal care sector has high entry barriers for SMEs like need for strong R&D base and money power, he noted.

Later, Mr. Arif Hussain, Marketing Head – Soaps & Detergents, RSPL, pointed out that the COVID-19 crisis had taught India the importance of local manufacturing. “With the hygiene category driving faster growth in rural India, it presents good opportunities for enhancing local manufacturing. The ‘vocal for local’ campaign has led to emergence of new local hygiene players in categories like sanitisers, hand washes, floor and toilet cleaner, etc.,” he opined.

ROUGH RIDE