

CHAPTER - III
DETERGENT INDUSTRY

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CHAPTER - III
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3.1 HISTORICAL BACKGROUND:

In India, the history of the detergent industry starts in the year 1957. The first significant blue washing powder was launched by Hindustan Lever Limited in that year.¹ Later on, 'Magic' made by the Tata Oil Mills Company and other blue detergent powders entered the market. Looking back, India's first detergent bar/cake was not Hindustan Lever's 'Rin', but Tata Oil Mills' 'Bonus', introduced in the year 1968. Similarly, 'Rin' blue tablet was introduced by Hindustan Lever Limited and 'Det', also a blue tablet, was launched by Swastik Oil Mills. All these brands fell in the category of Non-Soapy Detergents (NSD) washing tablets (or cake/bar, as they are sometimes called). In January 1972, another development took place in the detergent industry when Tata Oil Mills Company (TOMCO) launched improved 'Bonus' with a new advertising campaign to highlight its whitening properties, while retaining its platform of greater economy in comparison to 'Sunlight'.² As far as detergent, detergent powders are concerned, tremendous magic took place in the year 1975, when 'Nirma' detergent powder was introduced by Nirma Chemical Works with very economic and competitive

product in the market.³ In the year 1985, Nirma detergent bar/cake (tikiyan) were introduced by Nirma Chemical Works. After two years, in April 1987, 'Wheel' detergent powder and bar was test-marketed and the distinctive green colour product was a success. Subsequently, the brand was launched nationally in the year 1988.⁴

In India, the first washing machine detergent powder was introduced by TOMCO.⁵ Another important landmark in detergent field was washing machine liquid detergent under the brand-name, "LEE", which was introduced by Furnhill Laboratories and Industrial Establishment in April 1991.⁶

3.2 NOTICEABLE COLOURS OF DETERGENTS:

In the field of detergents, powder and bar products were introduced in different distinct colour categories. Now-a-days, these products and their colours have become noticeable in the washing product market. The following are the noticeable colours of detergent powders and bars introduced by different detergent manufacturers.

1. Yellow Colour Products:

Under the yellow colour, products were hard detergents and soaps such as 'Sunlight' and '501 Bar'. The most characteristics of the above product generally were cheaper and used for inferior washing in the better-off households

and for washing of good clothes in the mass market segment. Most of the unorganized sector industries mainly comprise yellow product in the shape of cakes/bars/rounds and inferior in quality and performance. Their price is also lower than the yellow products of the organized sector. As a rule, they served the local or regional market.

2. Blue Colour Products:

The first significant blue washing product was the detergent powder 'Surf', introduced by Hindustan Lever Limited and later on, 'Magic', made by TOMCO. Subsequently, other blue detergent powders entered the market. Compared by weight, detergent powders were priced higher than the washing soaps although they were much more effective. These invariably contained optical whiteners. The Companies such as TOMCO and Hindustan Lever purposely made them blue to create a strong association with whiteness of the wash.

3. White Colour Products:

'Det' washing powder was another important washing product introduced by Swastik Chemical Works with white colour. It was also called non-soapy detergent washing powder. The positioning of non-soapy detergent tablets was essentially directed against Grade-1 washing bar and soaps. All the three detergent tablets, i.e. 'Det', 'Bonus' and 'Rin', were advertised as more economical than the soap.

In the case of 'Rin', however, the major thrust had been on the whitening story supported by fairly strong presentation of its economy claim.

4. Green Colour Products:

Another landmark development made by the Hindustan Lever Limited was the 'Wheel' brand detergent powder and bar. Now-a-days, we find that the only detergent brand having green colour is 'Wheel'. It was also the first green colour product introduced in the market in 1987. Mainly, the Hindustan Lever's objective was to capture the market by attracting the consumers towards the new green colour product.

3.3 COMPETITIVE PRODUCTS AND THEIR COMPARATIVE PRICES:

As we know, everywhere there is a touch of competition, not only in the manufacture of toileteries but also in the detergent manufacturing industry. Now-a-days, enormous products (brands) are available in the market, characterized by prices, quality, durability and performance. Every detergent manufacturing industry tried to capture maximum share of the market by giving effective advertising with comparative and competitive prices. The competitive brands, their manufacturing companies and also their prices were as follows in the detergent market.⁸

Table 3.1
Washing Powder Prices
(March-April 1991)

Manufacturing Unit	Product Brand	Unit Weight	Consumer Price (Rs.)
Hindustan Lever Ltd.	Surf	1 kg.	31.00
Hindustan Lever Ltd.	Rin	1 kg.	36.00
Hindustan Lever Ltd.	Sunlight	1 kg.	21.25
Tata Oil Mills Co.	Tej	1 kg.	20.00
Tata Oil Mills Co.	Revel	1 kg.	32.00
Tata Oil Mills Co.	OK	1 kg.	11.50
Hindustan Lever Ltd.	Wheel	1 kg.	11.30
Nirma Chemical Works	Nirma	1 kg.	11.30
Godrej Ltd.	Key	1 kg.	22.25
Godrej Ltd.	Dip	1 kg.	9.50
Swastik Chemical Works Ltd.	Det	1 kg.	31.00
Mahila Griha Udyog	Sasa	1 kg.	11.50
Harshawardhan Chem.Ltd.	Harsh	1 kg.	14.50
Rupa Chemicals Ltd.	Ujala	1 kg.	11.50
Nilam Chemicals Ltd.	Nilam	1 kg.	11.30
Laxmi Soap Factory	Foran	1 kg.	10.50
Sun Chemicals Ltd.	Shinit	1 kg.	10.00

Table 3.2
Washing Bars/Cakes/Tablets
(March-April 1991)

Manufacturing Unit	Product Brand	Unit Weight	Consumer Price(Rs.)
Hindustan Lever Ltd.	Rin	250 gm.	7.30
Hindustan Lever Ltd.	Sunlight	150 gm.	3.45
Hindustan Lever Ltd.	Wheel	250 gm.	4.00
Tata Oil Mills Co.	501 Bar	250 gm.	4.00
Tata Oil Mills Co.	Dubble	250 gm.	6.40
Tata Oil Mills Co.	Super 501	250 gm.	4.50
Tata Oil Mills Co.	OK	200 gm.	3.20
Godrej Soaps Ltd.	Key	150 gm.	2.40
Godrej Soaps Ltd.	Trilo	250 gm.	4.10
Godrej Soaps Ltd.	Chavi Bar	250 gm.	4.00
Godrej Soaps Ltd.	Deep	150 gm.	2.40
Godrej Soaps Ltd.	Godrej	200 gm.	3.25
Nirma Chemical Works	Nirma	250 gm.	3.60
Mahila Griha Udyog	Sasa	125 gm.	2.25
Swastik Chemical Works Ltd.	Det	250 gm.	6.80
Swastik Chemical Works Ltd.	Super 777	250 gm.	4.00
Harshawardhan Chemicals	Harsh	150 gm.	2.75
Laxmi Soap Factory	Foran	850 gm.	15.50
Shaw Wallace and Co.	Check	250 gm.	4.10

3.4 PRODUCTION TRENDS OF DETERGENTS:

The production trends of detergents going upward means that these are characterized by an upward tendency. The production of detergents between 1970 to 1984 in the organized sector went up from 2,17,822 tonnes to 2,77,520 tonnes, recording a rise of 27.4 percent during a period of fourteen years.⁹

Table 3.3

Production of Detergents

Year			(in '000 tonnes)
	Organized Sector	Unorganized Sector	Total
1980	159	50	209
1981	170	70	240
1982	165	140	305
1983	170	200	370
1984	180	280	460
1985	190	350	540
1986	200	410	610
1987	210	590	800
1988	220	700	920

Source: 'Facts For You', January 1989

3.5 RECENT DEVELOPMENTS IN DETERGENTS:

A significant recent development in the detergent powders and bars took place in the year 1988. The first green detergent powder and bar 'Wheel' was test-marketed

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in April 1987. Subsequently, the brand was launched nationally in 1988 by Hindustan Lever Limited. Now-a-days, it is number two brand, close on the heels of the market leader 'Nirma'. Wheel's success is attributed by Hindustan Lever to a number of factors. It is seen to be an economical product and offers real value for money to the consumers. It is also considered safe on hands and gentler on clothes than Nirma, a fact that HLL promotes strongly in all 'Wheel' "wet" demonstrations and promotions.¹⁰

In the year 1990, HLL introduced 'Maha Rin' a blow up version of Rin. Immediately thereafter, within a couple of weeks, Nirma Chemicals Limited launched a new blue detergent bar 'Nirma Bar' in a no holds barred frontal attack at Lever brand 'Rin'.¹¹

In December 1990 again, Hindustan Lever Limited introduced 'Triple Power Rin Detergent Powder'. Now-a-days, it is very much in focus because of its effective advertising.¹² The new Triple Power Rin has triple power, that is, one, two, three times more power than the ordinary powders. Also, its triple power keeps on cleaning and deep cleaning, to get the stubborn dirt out and wash whiter. The important character of this Triple Power Rin detergent powder contains thirty spoons of the product and this will last one month.¹³

TOMCO has introduced the first detergent washing

powder for washing machine with 'Revel' brand. Later on, Hindustan Lever Limited also introduced 'Surfomatic', specifically for the washing machines.¹⁴

Recently, the first washing machine liquid detergent in India was introduced by Furnhill Laboratories and Industrial Establishment of Bombay in April 1991.¹⁵

There are 23 units in the organized sector for manufacturing of syntehctic detergents, with an installed capacity of 3,83,460 tonnes per year. Production of the detergents was 1,82,865 tonnes in 1988-89.¹⁶

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