



For more than a century, Kimberly-Clark has been leading the world in providing essentials for a better life by transforming ideas into innovative products. Its global brands like Huggies, Kotex, Kleenex, Depend, Scott, etc. are a trusted part of the lives of nearly one-quarter of the world's population in more than 175 countries. Spearheading the transformation and innovation in categories like Baby Care, Feminine Hygiene, Adult Care, Family Care and Professional Products, Kimberly-Clark is a trusted, admired and beloved consumer packaged goods (CPG) giant. From the House of Kimberly-Clark, Huggies is one of the world's leading baby care brands and one of the largest CPG brands in the world in revenue. It has successfully managed to make its mark in the hearts and minds across millions of consumers.

Market

With over 25 million babies born each year in India, the baby category in the country is an exciting category with tremendous growth potential. The underlying demographic and category development factors make it amongst the faster growing FMCG product categories in India. The penetration of disposable diapers amongst consumers is growing and is expected to double in the next decade. According to sources, India's diaper market has been growing at a CAGR of above 20% over the past five years, with rural India growing at a much higher rate than urban areas.



The diaper category is experiencing unprecedented growth as the category is being adopted by more and more families. Demand for diapers is growing, driven by benefits such as convenience, performance, availability and value for money.

The Indian diaper category has strong representation across all key distribution channels. General trade is the largest channel with grocers and chemists playing a big role. Modern trade is a significant channel for the category, catering to buyers of larger packs of diapers. E-commerce is one of the faster growing channels for the category and is bound to play a major role in the coming years. Category distribution today stands at well above 2 million stores and is growing rapidly. While larger city buyers choose larger packs, most consumers from smaller cities opt for purchasing smaller units of diapers including just a pack of one.

Consumers today are looking for an array of baby diapering solutions that go from basic benefits of absorption and dryness to more value-added features. Brands have been innovating in the category to bring better performance and value of money for their users, driving further consumer adoption and usage.

Achievements

For more than a century, Kimberly-Clark has transformed ideas into innovative products. Its passion for creating essentials has driven it to invent five of the eight major consumer product categories it is present in. Huggies has played an instrumental role



Launched in the early 1990's, the brand has been at the forefront of category development in the country, and for millions of mothers and babies, their first ever diaper brand. Given its heritage and role in developing the category, Huggies in India has become synonymous with the diaper category. So much so, that for millions of consumers and retailers across the country, the term Huggies has become synonymous with the word diaper and is often used interchangeably.

Apart from being one of the leading diaper brands in the category globally, Huggies has been at the forefront of driving category adoption through



in the diapering category in India.



many innovations over the years. The now vastly popular pant style diapers were first introduced to Indian consumers by Huggies. It was also the first brand to launch gender-specific diapers in the category. It launched the next generation of diapers with a unique Bubble-Bed Technology™ in 2019. This innovation is a step-change in the quality of performance across key elements like comfort and absorption. Huggies has also been doing extremely well across their overall portfolio where their Newborn Diaper Pants are the fastest growing newborn pants in the category, as per Nielsen Panel Data Q1 – 2020.



Huggies has lead the way in the digitization of the category, catering to the new generation of mothers. With an end-to-end digital footprint; spanning from consumer recruitment to consumer advocacy, Huggies has been a part of the consumer's journey. The brand's work in the digital domain has been recognized consistently. In recent years, Huggies has been recognized in areas like digital strategy and search marketing by the Brand Equity Digi Plus Awards, amongst many other digital marketing awards.

History

Founded in 1872, Kimberly-Clark is a Fortune 500, multinational organization in

the personal care space. Kimberly-Clark has been a pioneer in the category, launching their first diaper, Kimbies in 1968. In search of a brand name for Kimberly-Clark's new and innovative diaper in the late 1970s, the product development team had two objectives. The first was to translate the concept of being 'hugged' to the baby, which was attributed to the innovative snug fit around the legs. The second was to convey an expression of emotional attachment with the baby. Hence the name 'Huggies' was coined, which was a perfect correlation of the two objectives.

Huggies has been serving Indian consumers since the early 1990's, a revolutionary brand in the diaper category in India. Huggies has since had a transformational journey and today with a wide range of diapers and wipes, Huggies has been championing the baby care category in the country.

Product

Fascinatingly innovative and surprisingly versatile, the diaper category has tremendously evolved over the years. For decades, the category was dominated by open-tape style diapers. Today, pant-style diapers are preferred by a majority of users and now have a higher market share than open-tape style diapers in India.

Innovation in the Huggies brand is inspired from moms all over the world. The brand has been innovating continuously across many areas, backed by world-class manufacturing capabilities. While most diaper brands promise the same basic feature of absorption, Huggies offers more than just that. With the revolutionary Bubble-Bed Technology™ Huggies has revamped the lens of consumer expectations. With additional features

around skin health including softness, dryness and superior comfort, the new Bubble wala Huggies is an innovation that consumers can truly experience. Huggies follows the same philosophy in their product line extensions as well – for example, Huggies Nourishing Clean Baby Wipes, which are made from natural wood pulp instead of synthetic fibers, ensuring that parents get to use the gentlest products for their babies.

Huggies has been expanding its portfolio across the tiers, making sure all consumer needs are being catered to. Huggies has recently launched a

new premium range of diapers called Huggies Premium Soft Pants which has the breakthrough silky cocoon design – a unique combination of Bubble-Bed Technology™, cushion waistband and silken outer cover – specially designed to cocoon a baby in softness.

Huggies has also introduced Huggies Luxe Air in 2019 – a luxury diaper which ranks amongst the thinnest and most comfortable diapers available today. Its unique Breathease Technology helps improve air circulation keeping the baby's skin dry.

Recent Developments

The diaper category is ever evolving, and global consumer trends are very much a part of the conversation in the category. Amongst the major new developments have been the rise of e-commerce platforms and premiumisation in the category. This has led to a category shift both in the premium and economy segment, where

penetration and consumption have been the growth drivers.

The growth of e-commerce in India has had a structural impact on the diaper category. The consumer benefits offered by e-commerce platforms like assortment, discounts and convenience of home delivery has proved to be a winning combination. The

contribution of online retailing for diapers is expected to more than double by 2023 and contribute a significant part of overall sales. In fact, one in every four rupees spent on diapers in India is online, the highest within the consumer goods market, according to Nielsen. Consumers too have driven some of the latest trends in baby diapers, including requiring ingredient transparency from baby diaper brands. With e-commerce penetration expected to further increase, this is a very exciting development for the category and consumers.



Promotion

The Huggies brand promise is to extend a mother's embrace. The Huggies global campaign – Your Hugs Inspire Ours – is an embodiment of what the brand stands for. Huggies India has extended this philosophy across vectors like communication, innovation and activation. A hug is a universal language and the first one a baby learns. This translates into everything the brand does, starting from the way Huggies diapers are designed, to the message translated in their communication and campaigns like

#MomsNeedHugsToo. The recent series of Huggies commercials have been centered around this idea and the red Huggies brand color stands for learning, play and confidence.

Brand Values

The Kimberly-Clark philosophy is to 'lead the world in essentials for a better life', and Huggies is championing this philosophy with baby care. Huggies believes that there is nothing more powerful than the bond a mother shares with her baby. The brand champions the mom's instinct, and her instinctual bond with her baby – her hug – is the inspiration. At the same time, Huggies is also a brand which believes in equal parenting, and to celebrate the father's role in child-care, launched a campaign called #DaddyDoDiaper. Huggies is also one of the first baby-care brands in India, which has an image of a father and baby on its packaging. Huggies also believes in co-partnering throughout the journey of parenthood with a helping hand. Initiatives like the Huggies Club and KC Hospital Programme, impact more than a million mothers every year.

Things you didn't know about HUGGIES

- * Kimberly-Clark is a 145-year-old organization, older than Unilever, Mondelez and Coca-Cola, amongst others
- * Kimberly-Clark introduced the first pull-up diaper (also known as pant-style diaper) globally in 1989
- * Huggies has been rated as one of the top ten CPG brands in the world by Megabrand
- * Kimberly-Clark's manufacturing plant in Pune for Huggies is an Indian Green Building Council (IGBC) certified Green office – which is Platinum rated.
- * In 2019, Huggies launched India's first luxury range of diapers, called Huggies Luxe Air
- * Kimberly-Clark's initiative – Toilets Change Lives – has touched sixteen countries and impacted 1.5 million people in need

