Shaking a cold market with a hot flavor—Clogard entering the toothpaste market in Sri Lanka with Clove Oil

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Synopsis

‘Sunlight’, ‘Signal’, ‘Sunsilk’, ‘Vim’, ‘Lifebuoy’ and ‘Lux’ brands marketed by Unilever dominated the Sri Lankan market during the decade of 1980’s in home care and personal care sectors along with ‘Astra’ margarine, ‘Lipton’s tea and ‘Knorr’ in the food category. These products were ‘must have’ for any FMCG dealer to run the business. They occupied the supreme leadership position in the Toothpaste market after successfully eradicating local players who directly competed with them. ‘Forhans’ and ‘Orafoam’ from Maharajas, ‘Superdent’ and ‘Prodent’ from D.A. Abeysinghe, ‘Protect’ from Swadeshi were disappearing from the market by 1990’s while ‘Supirivicky’ from Siddhalepa and ‘Vendol’ from Godakanda were holding a small share under the herbal category. These companies did not have the same financial, technical, marketing and distribution power to challenge the supremacy of Unilever. Therefore the success of the game on challenging the giant totally depended on creativity.

Sheik Hasanally Esufally founded Hemas Drugs Limited in 1948 after leaving from his family business of E. G. Adamally & Company. By 1990, the company was managed by 4 of his grandchildren and they had commenced manufacturing of FMCG products and held another business arm in Travels. As a local upcoming star, Hemas Drugs Limited had embarked on their attack to the Baby Care market controlled by ‘Pears’ of Unilever with brand ‘Cheramy’. In 1992 Hemas launched ‘Clogard’ toothpaste with the ‘time tested goodness of clove oil and scientifically tested fluoride’ challenging the market dominated by Unilever with brand ‘Signal’. Successfully battling a court case filed against by Unilever and turning more than one problem into opportunities, Clogard captured 28% market share within 6 years and increased that up to 33% subsequently.