Background

Beiersdorf has been present in India since 1964 when it started selling its products through local distributors. In 1993, Beiersdorf increased the stake to 51 per cent. Beiersdorf AG has two entities in India - BDF India and Nivea India. Tesa Tape India is a subsidiary of Tesa AG which is a 100 per cent subsidiary of BDF AG.

Beiersdorf India Pvt. Ltd. (BIPL) - BIPL has a manufacturing plant in Goa and is mainly into first aid dressing and products. One of its key brands is Hansaplast. BIPL products are sold through stockists all over the country.

Tesa Tape (India) Pvt Ltd - Tesa was originally the company’s brand name for the first transparent adhesive tape. Today, Tesa concentrates on three main areas of product applications which include fastening and bonding systems, protective and masking systems and inner and outer packaging systems.

Nivea India Pvt. Ltd. (NIPL) is a 100 per cent subsidiary of Beiersdorf AG and is mainly involved in manufacturing and distribution of Nivea range of products.

Beiersdorf was established in Hamburg, Germany in 1882. Today the company is present in over 100 markets around the globe with over 130 affiliates and joint ventures. The company is in the business of Cosmetics and Personal Care, Wound Care and Adhesive Tapes. The company has ten strong international brands: Nivea, Eucerin, Labello, 8x4, Atrix, La Prairie, Juvena, Florena, Futuro and Hansaplast/Elastoplast. Beiersdorf has about 16,700 employees worldwide and recorded sales of US$ 5.91 billion (Euro 4.77 billion) in 2004.

The Indian operations have met the parent’s expectations. Beiersdorf India observed very high growth rate in the first seven years since 1993. However in the last 4-5 years growth has been stagnant because of competition from local and Chinese players and price sensitivity of Indian consumers.
Future plans
In future, the company is planning to sustain growth that it has been enjoying in the recent years. Beiersdorf India has grown by 13 per cent last year. India might emerge as a manufacturing hub for global demand in the future; however, there are no major investment plans for the next 3-5 years.

Keys to success
Global Strategies, Local Execution
The company draws its strength from local operations. It follows a single marketing strategy across locations and implementation is the responsibility of the local entity. These strategies are often adapted locally to suit the needs and tastes of the local consumer. There is also a conscious effort to align the local companies with the global operations and best practices.

Strong International Brands
The company has many strong brand names in its product portfolio. The basis of success is the leading international brands like Nivea. Customers associate these brands with beauty and quality. The company has also grouped a number of products under one umbrella brand allowing it to leverage potential synergies.

Presence in the market
The company has been successful in establishing an extensive distribution channel across the country. Distribution network is very crucial for any company’s success in this product category especially in a huge and diverse market like India. The company has been in India long enough to have a good understanding of Indian consumers and hence position the products catering to the requirements of Indian consumers.

Beiersdorf India: At a glance
- Beiersdorf has been present in India since 1964.
- Beiersdorf AG has two entities in India - BDF India and Nivea India.
- For Beiersdorf, India is: A key growth market.
- Future plans: To be in the top 10 countries in terms of sales, Sustain growth.