

PRESS MONITOR

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Market Watch

Trends Opportunities Promising Growth

Manufacturers are optimistic of the growth potential of the air purifiers market in India



“Demand has been growing at more than 100% month-on-month and sales by 60-70% year-on-year, over the past few years. In another three to four years, the air purifiers market would touch ₹500 crore

- Shashank Sinha,
Associate VP-Marketing,
Eureka Forbes

Deteriorating indoor air quality, rising health concerns, awareness amongst consumers of lifestyle enhancing products such as air purifiers, and the technological advancements being made to increase their efficacy, are factors that are propelling growth of air purifiers in the Indian market. Manufacturers, faced with the prospect of demand rising in tier 2 and 3 cities besides the tier 1 cities, are ramping up their product portfolio, infusing better technologies, investing in marketing, and promoting their brands more aggressively.

Philips, which entered the Indian market in 2015, has seen sales of its air purifiers almost double. Unilever's recent move to acquire Blue-Air and enter the air purifier market will help Blue-Air take the next step to become a truly global provider of its health-enhancing air purifiers. Growing urban population, increasing per capita income, demand from commercial sector, and now also from the residential one, is anticipated to fuel growth during the next five years.

Shashank Sinha,
Associate VP-Marketing
of Eureka Forbes Limited,

says, "When Eureka Forbes introduced air purifiers in India, the category did not exist and had to be created. For over 18 years, the company has invested heavily in monitoring air quality in over 18 cities through its laboratories. Demand has been growing at more than 100% month-on-month and sales by 60-70% year-on-year, over the past two-three years. Since the beginning of this year, there has been a positive surge in overall numbers. In another three to four years, the air purifiers market would be of at least ₹300 crore and we expect ₹250 crore sales from our air purifiers. We have over 50% market share, and because

of our expertise and strength, we anticipate that we would retain market leadership.

In addition, Eureka Forbes has undertaken extensive consumer research to offer customised solutions for Indian conditions.

Our latest Dr. Aeroguard range with Active Shield™ technology will provide a breakthrough solution to India's crippling problem of air pollution. Our aim is to change the dynamics of air purification in the country with diverse offerings.”



Expanding market

The air purifier market in India is slated to be around ₹150 crore, having grown significantly over the last few years. According to 'India Air Purifier Market Forecast & Opportunities, 2019' - a TechSci Research Report, India's air purifier market is set to grow at a CAGR of about 50% during 2014-19. Manufacturers are experiencing a definite rise in sales as the air purifier becomes a must-have in homes, offices and institutions, much like the water purifier.

"Since Honeywell's launch of its air purifier range in India in October 2015, we have more than doubled our sales.

We have witnessed a high growth in entry-level products, however, demand for high-end variants is also on the rise," says **Vinayendra Jain, Director, Marketing, Honeywell Environmental and Energy Solutions.**



The moonbow air purifier, HSIL's first product under its 'moonbow' brand, is being positioned as the umbrella brand for the company's emerging interest in the consumer business space. In the first phase of the launch, the air purifiers will be available in select tier-A cities that fall under bad AQI (Air Quality India). "Entering the air purifier category is based on market prospect, which is positive, and driven by the environmental situation and consumer demand to live smart and breathe fresh. When we launched our moonbow air purifiers in December 2015, we took both the online and offline approach to introduce them. We have also received 'product of the year' award for our moonbow air purifiers, which being a new entrant in this category, is an accomplishment and an affirmation that our target of capturing 10-12% market share in three years is on track," says Rakesh Kaul, President and Chief, Consumer Business Vertical, HSIL.



“ Air purifier has immense potential for growth, irrespective of regions or sectors, and from being an optional or luxury item, it is gradually becoming a 'must have' product

- **Rakesh Kaul, President and Chief, Consumer Business Vertical, HSIL**

Havells too has entered the segment with the launch of several models across key cities. **Saurabh Goel, Senior VP, Havells India Limited,** says, "The launch of air purifiers is an important milestone for Havells. The company is confident of acquiring a significant market share in this growing segment, thanks to its superior technology and expertise."



The New Must-Have Appliance

Manufacturers are anticipating rising demand from hospitals, hotels, restaurants, residences, and offices. This is especially so in metros like Delhi, Bengaluru, Mumbai, Kolkata, and Hyderabad, and in some smaller cities where traffic and industrial pollutions are at high levels. In fact, some companies are test marketing their products in several tier 2 cities like Kanpur, Ludhiana, Lucknow, Kochi, Vizag, Coimbatore, Chandigarh, Ahmedabad, and others.

"While health is one of the primary concern areas, when it comes to purchase, we cannot dismiss the change in lifestyles among consumers who are seeking maximum comfort at home. Thus, the product has immense potential for growth, irrespective of regions or sectors. And there is a transformation: from being

an optional or luxury item, it is gradually growing towards being a 'must have' product," adds Kaul.

Affirming this, Sinha at Eureka Forbes, says, "Initial demand for air purifiers came from consumers suffering from respiratory disorders, but, today, it is the increasing number of health conscious consumers who will be the early adopters. In fact, many hotels today are considering the concept of a 'purified room' in their premises to meet consumer needs."

Vinayendra Jain at Honeywell informs that 23 out of 30 top polluted cities in the world are in India. Delhi-NCR and Bangalore are seeing maximum sales, but the company is also receiving enquiries from Chennai, Hyderabad, Kolkata, Mumbai, and a few cities in Kerala. Air quality in tier 2 and 3 cities like Gwalior, Allahabad, Patna, and Raipur has also been deteriorating, and they expect the product will be needed in these markets very soon. "Till very recently, air purifiers were being bought mainly by diplomatic missions, HNIs, and expats. Now, people with respiratory problems, and working couples with toddlers at home are also investing in them," he adds.

Once considered a product for the premium market, the air purifier is finding a ready customer in the mid-segment as well. The market is evolving fast and is still an organized market. As competition heats up with new entrants and existing brands expanding their product range across all price points, manufacturers are beginning to invest in R&D, technology, and in strengthening their distribution channels, creating awareness, increasing their marketing spend, and foraying into tier 2 & 3 cities as well. ◆

