



IIMC CASE RESEARCH CENTRE (IIMCCRC)

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CROMPTON: INNOVATION IN ANTI-DUST FANS

“The closer you can be to the consumer, the more innovative you are going to be.”

- Shantanu Khosla, Managing Director, Crompton Greaves Consumer Electricals Limited

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As his car wound through the late evening traffic in Mumbai, Mathew Job, CEO of Crompton Greaves Consumer Electricals Limited (CGCEL), looked back at a satisfying day. He was on his way back from the launch of Crompton’s new ‘Anti-bac’ LED bulb, a revolutionary product in the lighting segment which was meant to kill 85% of germs within four hours of its use¹. While this was the latest innovation to come out of the Crompton stable, Job cast his mind back to the beginning of a new and productive phase of innovation at Crompton.

In 2015, CGL had just demerged their consumer business (CGCEL) from the business-to-business arm (industrials & Power)². Shantanu Khosla had taken over as the Managing Director of the new company and Job as the CEO. At the time, they were consciously moving the innovation culture from an inward looking one, driven by their very strong engineering pedigree, to an outward oriented one driven by consumer and market needs. They knew they had to look at

¹<https://www.moneycontrol.com/news/business/companies/crompton-greaves-consumer-launches-anti-bacteria-led-bulb-3954281.html>

²https://www.business-standard.com/article/markets/crompton-greaves-turns-ex-demerger-116031500192_1.html

Prof. Indranil Bose of the Indian Institute of Management Calcutta and Saikat Lahiri developed this case study as the basis for class discussion rather than to illustrate the effective or ineffective running of an organization.

their consumers more keenly and understand their voice, to really bring meaningful changes to their product portfolio and build the Crompton brand.

The first major product to come out of this paradigm shift in their innovation model was the 'Anti-Dust' fan, which promised a 50% reduction in dust accumulation compared to standard paint finish ceiling fans. In a hot and dusty country like India, the regular need to clean ceiling fans was one of the major irritants for the normal user. Crompton understood this need, and after almost a year spent in development, launched this product in October 2016. Job looked back at how the product had turned out to be a major success despite plenty of skepticism within the organization. Crompton grew their market share in premium fans significantly over the next 18 months on the back of this launch.

Job knew that while they had done well in the past 4 years, they needed to continue this momentum in order to strengthen their leadership position in the consumer electricals space. The future belonged not to the followers, but to those who stayed ahead of the innovation curve.