

Mamaearth is an Indian brand registered under Honasa Consumer Pvt Ltd that offers toxin-free infant care, skincare, and hair care products. It was registered in 2016, and in only a few years, it has racked over 1.5 million clients. Ghazal Alagh and Varun Alagh are the founders of Mamaearth. Gurugram, Haryana, is home to Mamaearth's corporate headquarters. Mamaearth is a well-known brand renowned for its products and services. The tagline of the business is "**Goodness Inside.**"

- **What makes their target market so sizable?**

Mamaearth primarily catered to moms and their children by offering skin and hair care, prenatal care, and newborn care products. Accessories, toys, and clothing were also available there. The firm began to grow its clientele by marketing to the millennial demographic and selling more chemical-free skincare items, including serums, creams, face wash, lotions, and hair oils. By selling items like beard and hair oils, aftershave lotions, and other goods for men, the firm also catered to them.

- **What innovative marketing strategy do they use?**

**1. Influencer Marketing:** Mamaearth has collaborated with several online influencers. Influencers have assisted the business in expanding its audience. On several social media channels, influencers promote the advantages of these items. Mamaearth also collaborates with 500 mom bloggers to promote the company. Off-site ranking factor optimization improves how search engines and users perceive a site's popularity, relevance, trustworthiness, and authority. The website of Mama Earth has 1.5 million monthly visitors.

**2. Brand Endorsement:** Collaboration with Bollywood actress Shilpa Shetty Kundra as a brand ambassador has to be their finest marketing approach. Shilpa Shetty is a well-known figure in the modern day, and her endorsement raises the company's profile.

**3. Digital Ads:** Digital advertisements are the primary means of self-promotion for Mamaearth. Through clever use of digital advertising, they have grown their consumer base. Their advertisements are incredibly engaging and effectively represent their companies.

- **How do they generate revenue?**

They generate revenue by selling their goods on Flipkart, Amazon, and other comparable e-commerce platforms. Only 20% of the brand's earnings comes from baby items. The sale of skincare and haircare items generates 80% of the company's revenue. Mamaearth has a respectable gross margin profile in the personal care sector of roughly 65%. Thus, they can devote 40–50% of their income to marketing.

With a total sale of 920 crore Indian rupees and a net profit of 24.6 crore rupees in FY 21–22, Mamaearth is one of the top brands in the personal care sector. The brand has been expanding steadily over the past three years, as seen by its steadily rising EBITDA margin, which has increased from 10% to 15%.

- **How did they overtake their opponents and seize the market?**

Even though they entered the market later than its rivals, such as Himalaya, Pigeons, Moms, and many more, they are currently dominating the baby care industry. Mamaearth is ahead of its competitors because it prioritizes the requirements of its customers. To engage customers, Mamaearth's product range includes traditional recipes. Not only that, but the fact that the product is natural and has no adverse effects is a plus for the brand.

- As a business analyst, what strategies would you recommend for them to enhance their revenue?
- Currently, Mamaearth has focused on a D2C model. To develop and service India, should it continue with the same, or should it focus on a brick-and-mortar distribution strategy? Please share reasons for the same.