



UDAAN

**India's largest B2B platform for businesses &
shop-owners**

ABOUT UDAAN



- Founded in 2016 with the vision to "transform the way trade is done in India leveraging technology," Udaan stands as the nation's largest **B2B e-commerce platform**.
- Spanning **diverse sectors such as lifestyle, electronics, home and kitchen essentials, staples, FMCG, pharmaceuticals, fresh produce, toys, and general merchandise**, Udaan tackles fundamental trade challenges encountered by **small and medium-sized businesses (SMBs)** with a pioneering, cost-effective, and secure business model driven by technology.
- Functioning as a comprehensive hub for all B2B needs, Udaan provides specialized tech tools tailored for **brands, retailers, and manufacturers**.



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- The platform empowers **small-scale manufacturers, farmers, and brands** to distribute their products nationwide with utmost affordability, 100% payment security, and complete transparency.
- Simultaneously, it enables diverse **SMBs—such as shopkeepers, kirana stores, restaurants, street vendors, chemists, offices, small factories, and contractors**—to access a wide array of high-quality products at competitive prices, facilitating seamless and transparent transactions with significant convenience.
- Headquartered in Bengaluru, Udaan's platform extends beyond commerce, offering essential logistics services through **UdaanExpress** and financial solutions via **UdaanCapital**, crucially supporting business expansion.
- Its **SaaS (Software as a Service) offerings**, including real-time marketing feedback analysis and app-based pricing systems, equip brands and manufacturers with actionable insights for informed decision-making.

HISTORY OF UDAAN



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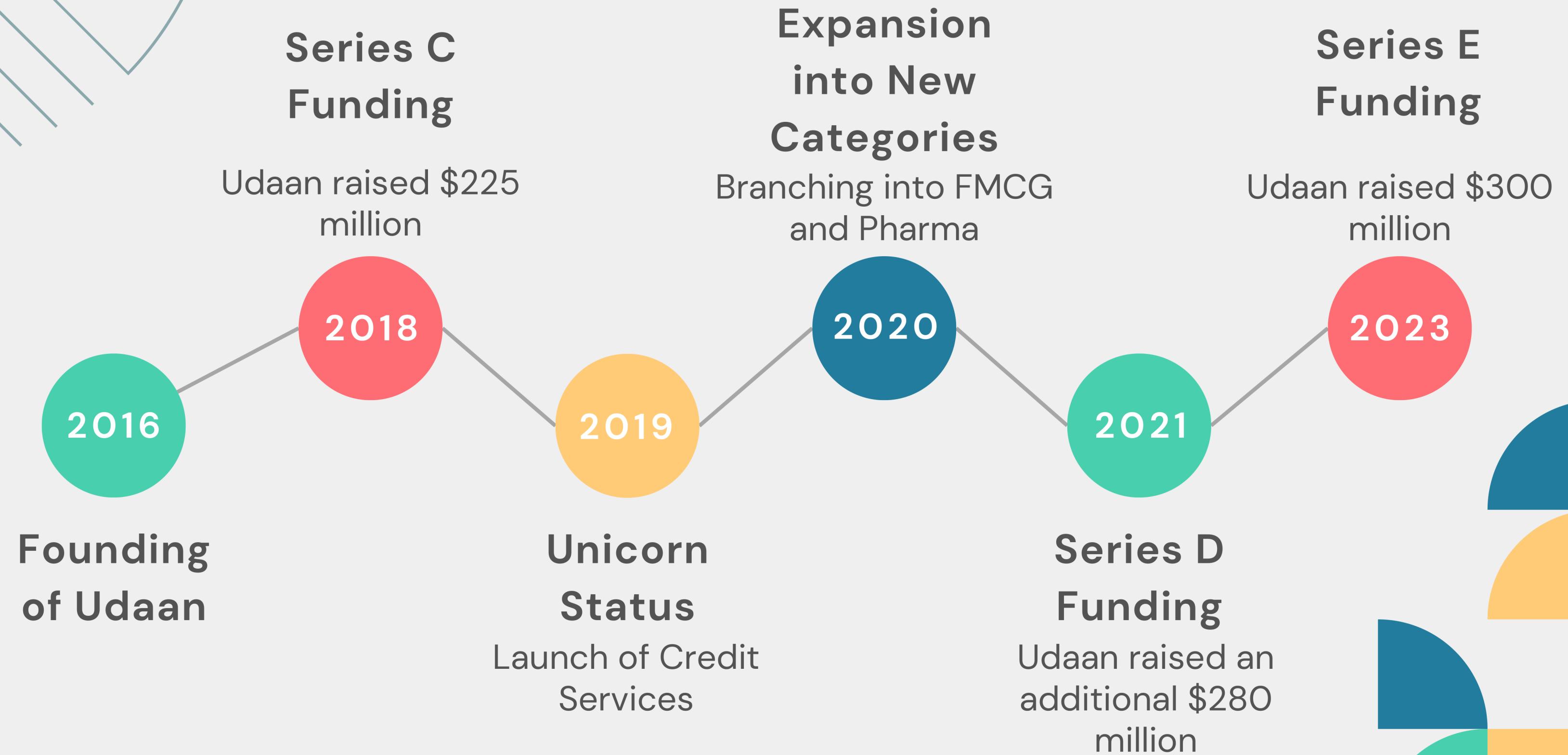
Udaan was founded in 2016 by **Amod Malviya, Sujeet Kumar, and Vaibhav Gupta**, former senior executives at Flipkart and alumni of the prestigious Indian Institutes of Technology (IITs).

- Amod Malviya, who led technology at Flipkart, holds a BTech in Electrical Engineering from IIT Kharagpur.
- Sujeet Kumar, as the former President of Operations at Flipkart, conceptualized and developed Flipkart's logistics and supply chain arm, Ekart, and holds a BTech in Civil Engineering from IIT Delhi.
- Vaibhav Gupta, who led Flipkart's Business Finance & Analytics function, holds a BTech in Computer Science and Engineering from IIT Delhi and also brings prior experience from McKinsey & Company.
- With their combined expertise in technology, operations, and business finance, they built a platform designed to solve the unique trade challenges faced by SMBs in India.



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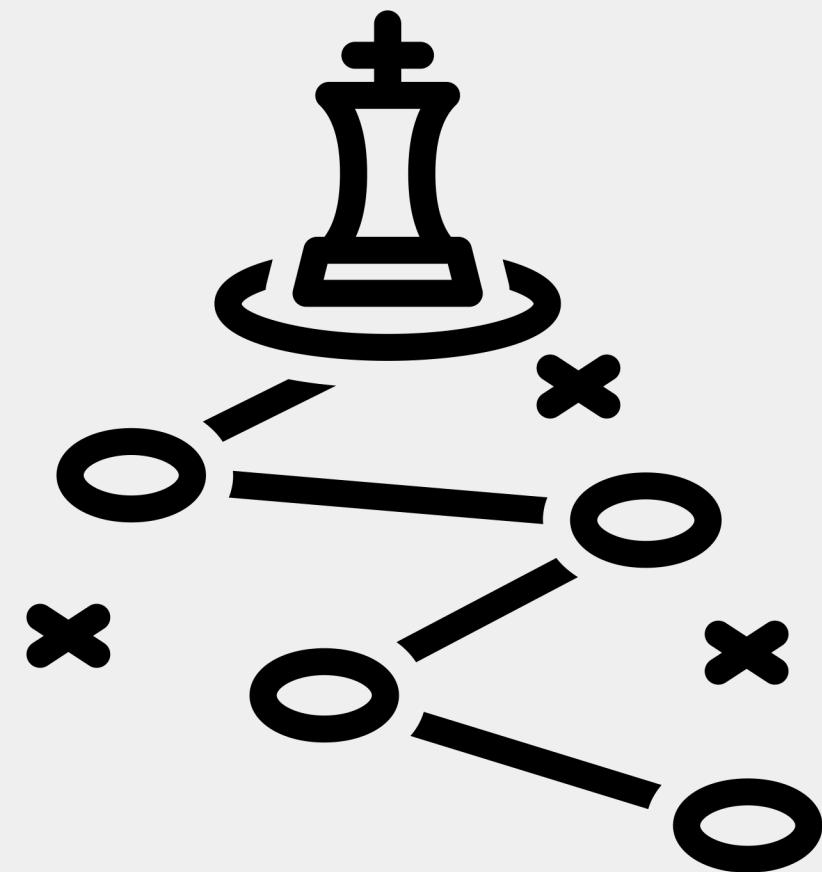
TIMELINE





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MARKET ANALYSIS

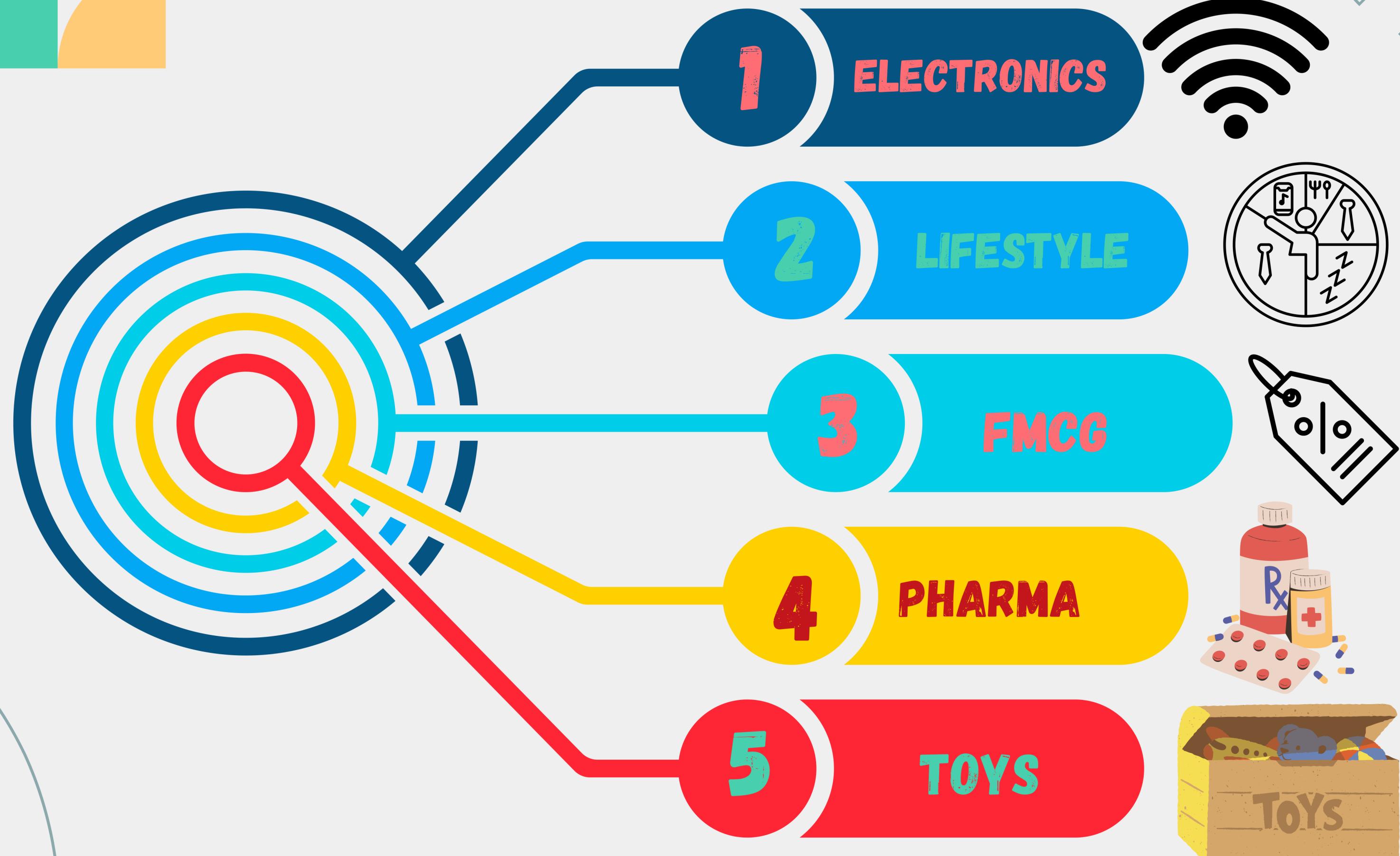


SEGMENTATION and
STRATEGY



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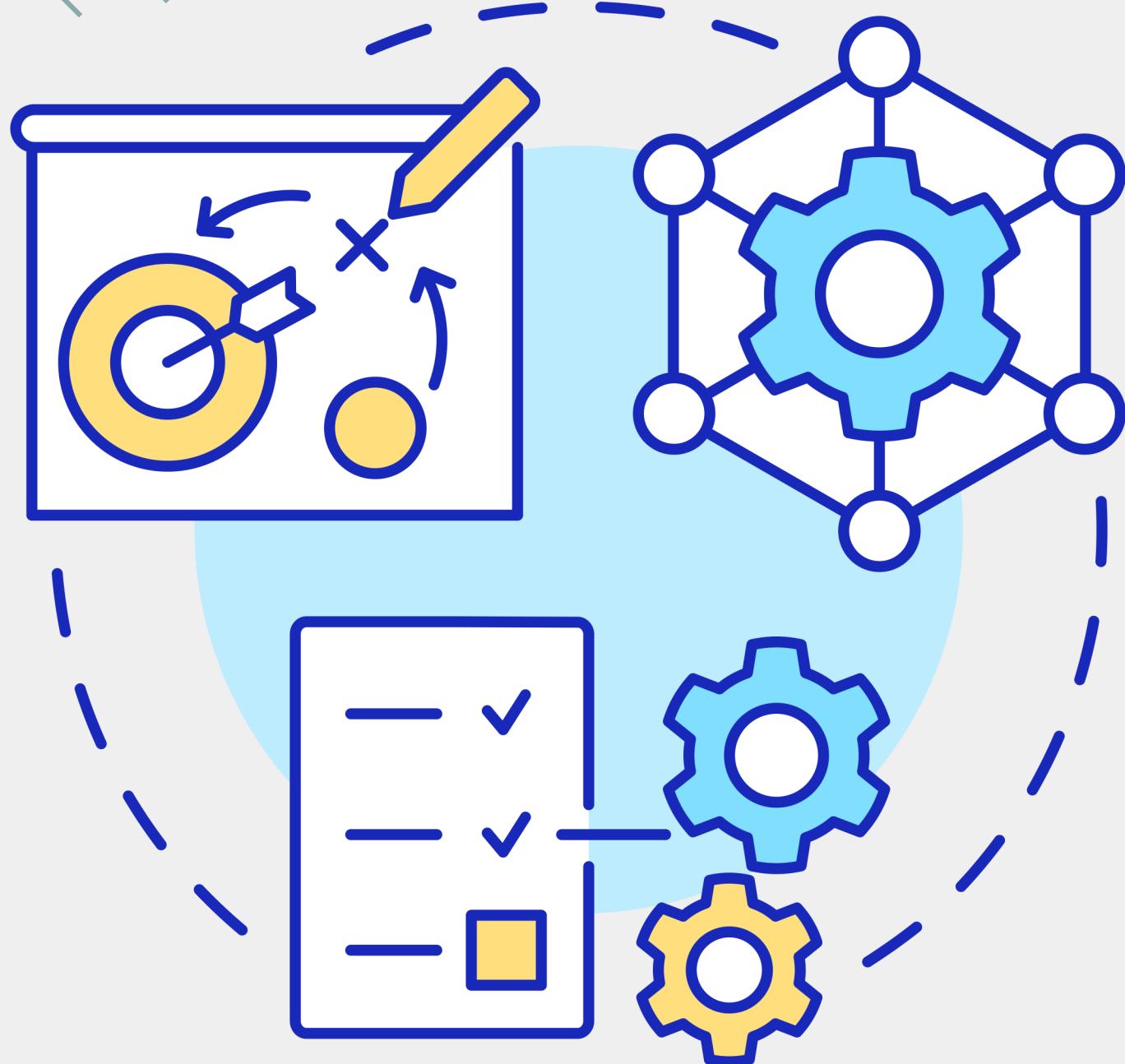
MARKET CATEGORIES





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FMCG- THE BETTER TARGET



UNDERUTILIZED MARKET

SUPERIOR AND WELL INVESTED NETWORK

COMPETITIVELY SUPERIOR LOGISTICAL BACKBONE



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WHY FMCG??



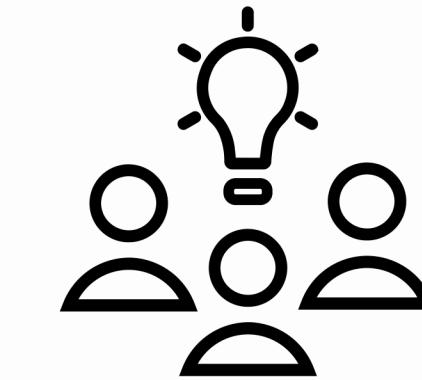
ORDER FREQUENCY

HIGHEST IN FMCG,
FOLLOWED BY PHARMA,
THEN ELECTRONICS



INVENTORY TURNOVER

HIGHEST IN FMCG, DUE TO
HIGH ORDER FREQUENCY



LOGISTICAL COMPLEXITY

LOWEST IN FMCG,
MAJORLY DUE TO
INCREASE IN SALE OF
BRANDED PRODUCTS POST
COVID





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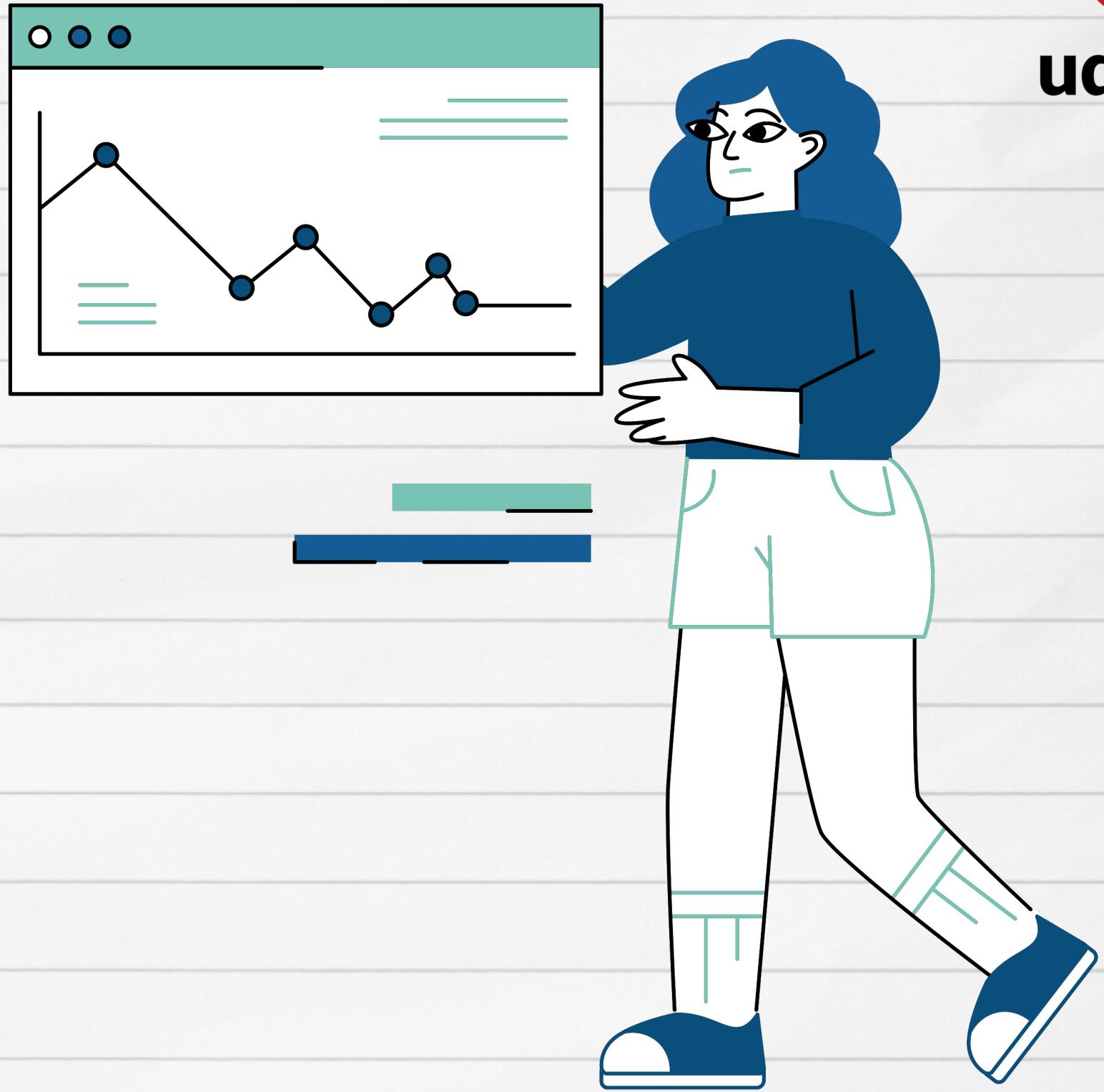
TIER-2, TIER-3,CAPITALISATION

It is evident that maximum potential for growth in the FMCG sector lies in the northern region, we look to maximise the number of enrolled retailers by specifically targeting regions in UP such as Varanasi, Azampur, Jaunpur or Baliya as they are big growing clusters leveraging the **MICRO MARKET STRATEGY**

BUT WHY WILL UDAAN BE SUCCESFULL WHERE ITS COMPETITORS FAILED?

X-
FACTOR

LOGISTICS!!





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Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)

Ensures easier access to credit for small businesses



GOVT SCHEMES

Digital India

Enhances digital infrastructure and internet penetration, enabling better connectivity for businesses, especially in rural and semi-urban areas.



Enhancing Udaan's FMCG Capabilities



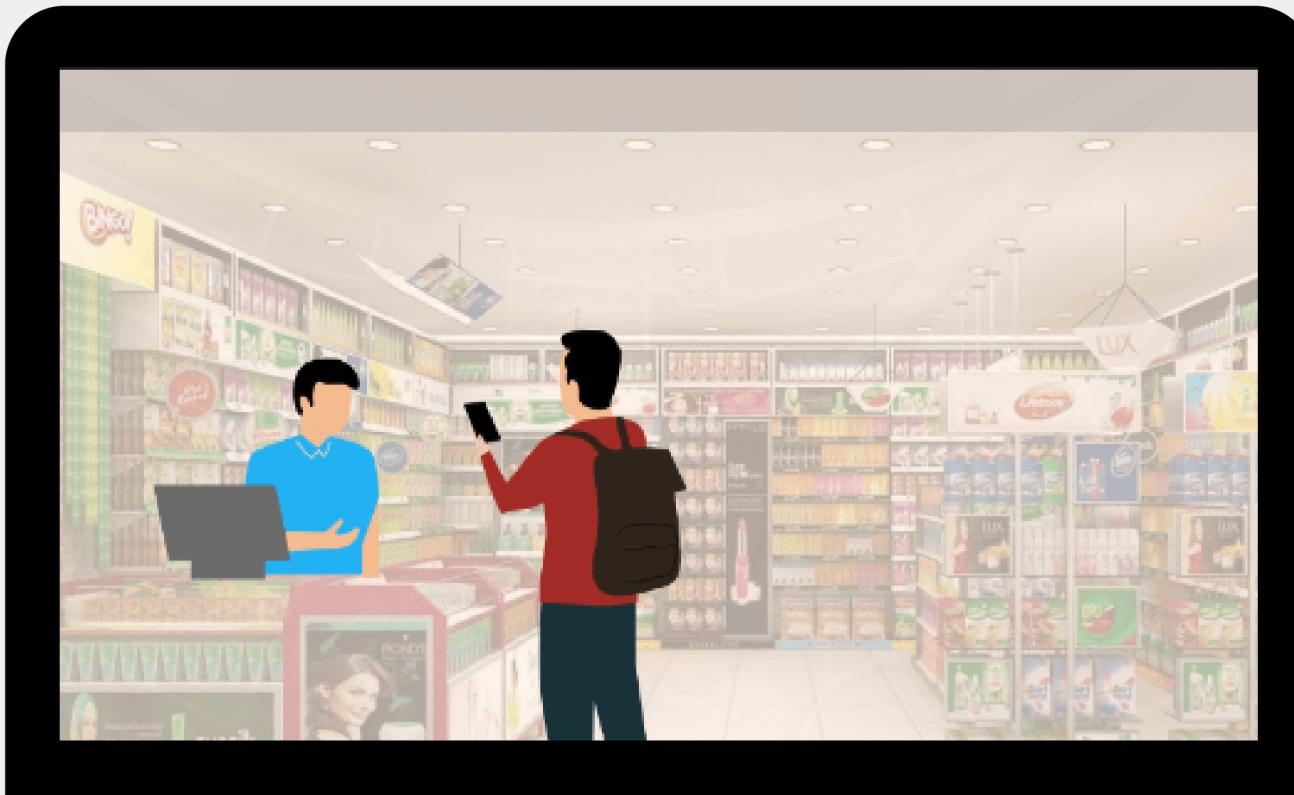
e-NAM (National Agriculture Market)

Facilitates better sourcing of agricultural products for FMCG platforms, improving supply chain efficiency



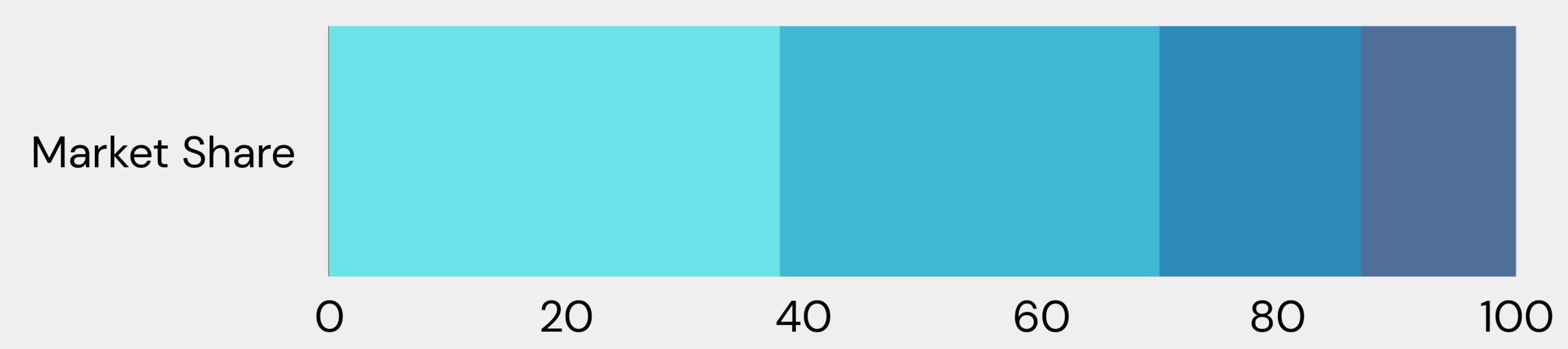
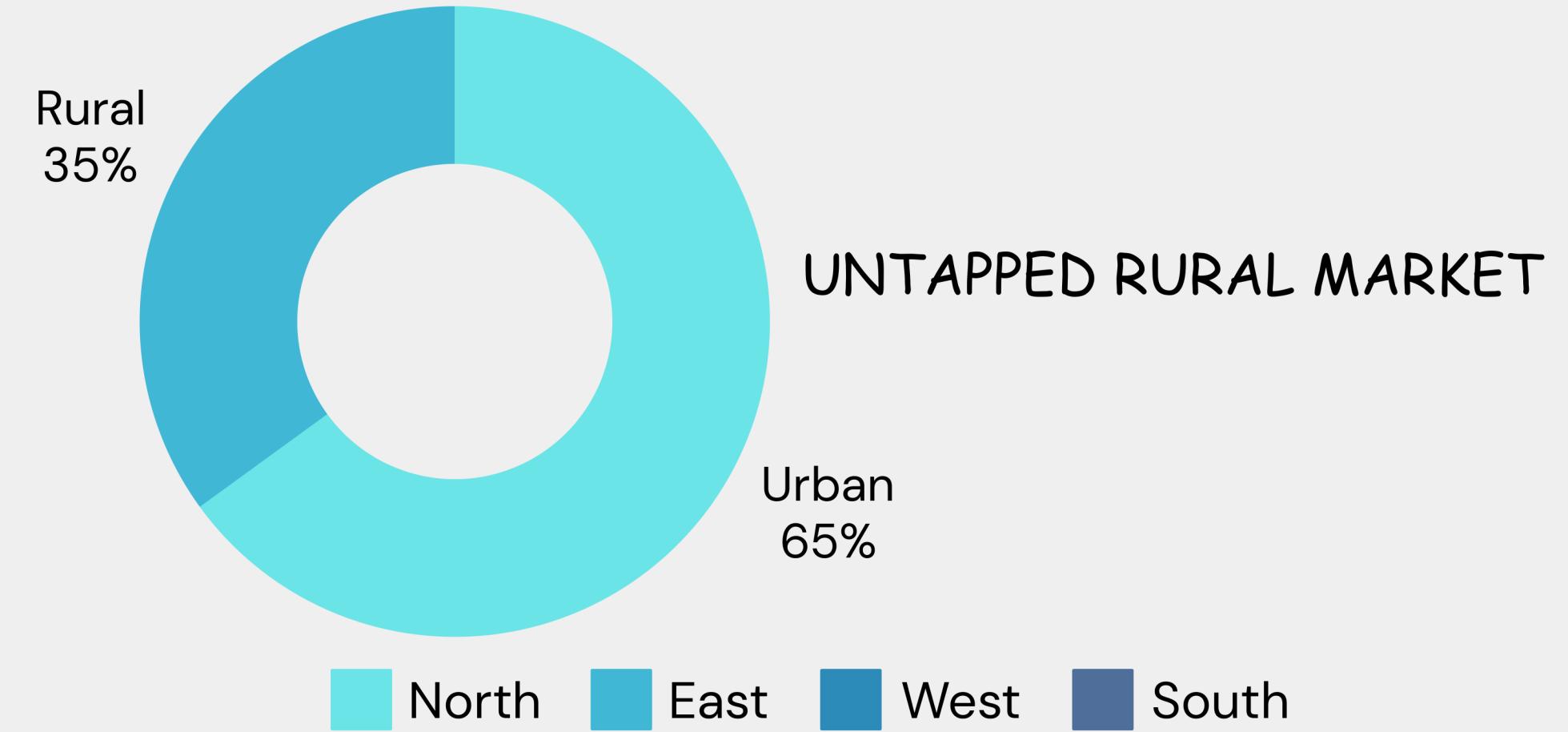
Pradhan Mantri Mudra Yojana (PMMY)

Facilitates easier access to credit for small retailers and suppliers

 FMCG MARKET

FMCG market in India is projected to grow at a rate of **14.9%** to reach **\$220** billion by 2025, according to IBEF. Out of this huge market potential, FMCG brands of India get **60-90%** of business from B2B channels

FMCG MARKET SHARE - URBAN Vs RURAL



DEVELOPMENT STRATEGY FOR UDAAN



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GEOGRAPHIC
EXPANSION

TECHNOLOGY
ENHANCEMENT

PARTNERSHIPS AND
SUPPLIER
RELATIONSHIPS

MARKETING AND
CUSTOMER
ENGAGEMENT





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1.GEOGRAPHICAL EXPANSION



Expected Outcome:
30% increase in market
reach

Objective: Expand Udaan's presence to tier-2 and tier-3 cities to capture a larger market share



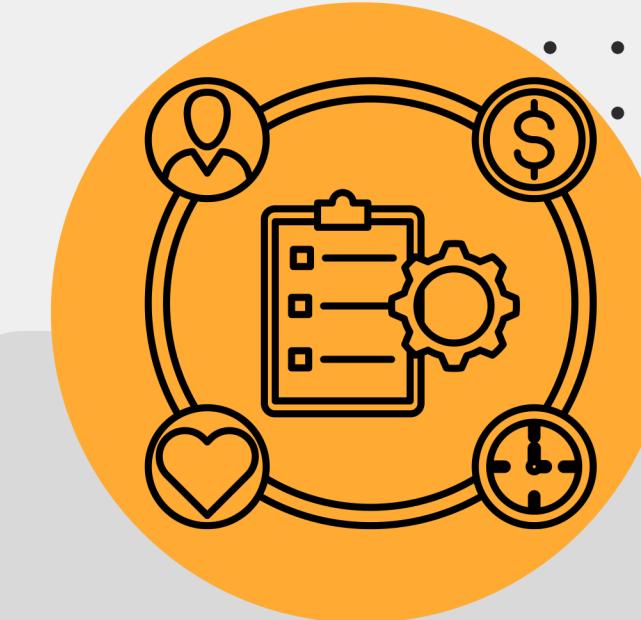


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Action Plan-Key features



Identify high-potential regions with significant FMCG demand



Establish regional distribution centers to ensure quick delivery



Recruit local sales and support teams to manage operations.



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SHOP SEGMENTATION

FACTORS

(FMCG KPIs)

Supply chain cost Vs Sales
between
5-15%

Cash to Cash cycle
time between
30-60 days

Shelf Visibility and
Availability > 85%

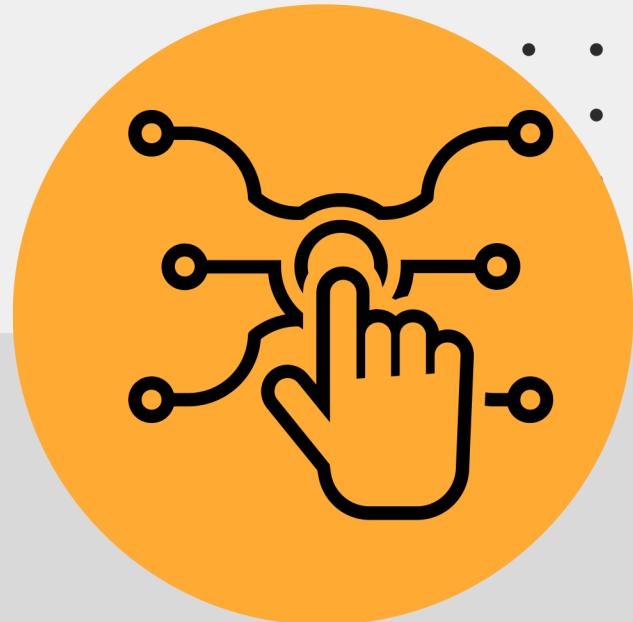
Product Margins
10% to 30%

Average selling
time
1-7 days

Out of Stock Rate
5-10%

2.TECHNOLOGICAL ENHACEMENT

Action Plan-Key features



Redesign the app interface for better navigation and ease of use



Integrate a digital wallet for seamless transactions



Add features like predictive ordering and personalized recommendations based on purchase history

3. PARTNERSHIPS AND SUPPLIER RELATIONSHIPS

Action Plan-Key features



Negotiate long-term contracts with major FMCG brands to ensure competitive pricing and priority access to products



Onboard local and regional FMCG manufacturers to diversify product offerings



Implement a vendor management system to streamline supplier interactions and improve order accuracy

4. MARKETING AND CUSTOMER ENGAGEMENT

Action Plan-Key features



Launch targeted digital marketing campaigns across social media, search engines, and e-commerce platforms



Utilize data analytics to tailor marketing messages to specific retailer segments



Run seasonal promotions and discounts to drive sales during peak periods



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MARKET REPORT

This report primarily focuses on future FMCG sales





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CURRENT STATUS

(OVERALL)

MONTHLY VISITS

UDAAN experiences a monthly exposure of 8,00,000 visits

CURRENT CUSTOMER BASE

Considering the BR (bounce rate) of 44% monthly UDAAN is experiencing a customer base of 4,50,000

PREDICTED CUSTOMER

BASE

Considering the current base of 4,50,000 , the growth rate of 68% in monthly visits and the decline drop rate the predicted customer base is 9,11,040

CHURN RATE (CR)

BR of 44% , Udaan is experiencing a steady decline in BR rate(-38%) monthly , thus , declined churned rate too.



COVERAGE MAP

CUSTOMER BASE REPORT



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4.5L

CURRENT CUSTOMER BASE

Udaan experiences a monthly visit of 4.5 Lakh relevant customers who do regular business with the company.

+2.2L

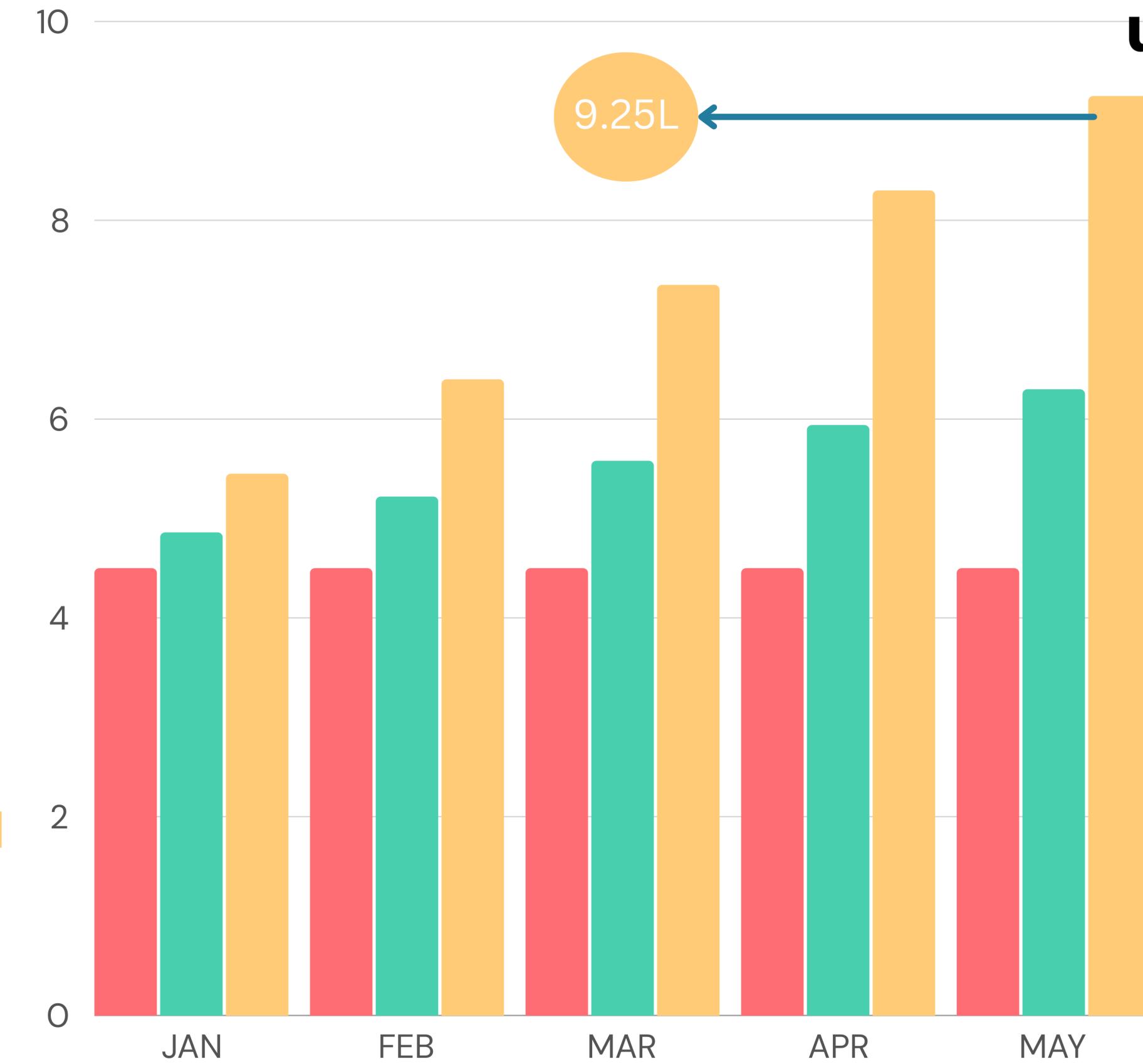
MINIMUM PROJECTED GROWTH WITH MM STRATEGY

With the applied Micro - Market strategy Udaan is expected a customer growth of 30% of it's original i.e, ~2.2 lakhs in the coming half year.

+5.7L

MAXIMUM PROJECTED GROWTH WITH MM STRATEGY

The Optimum scenario where Udaan captures most of its targeted markets which is ~ 5.7Lakh
(80+ % target achievement)

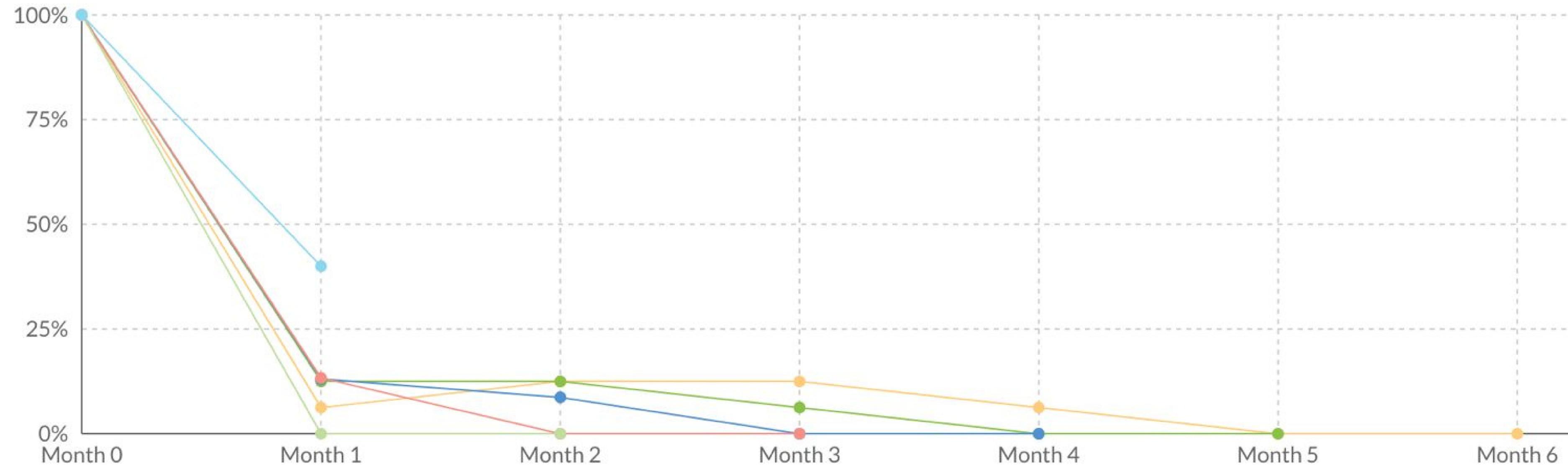


User Retention Analysis of Udaan



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Oct 2023 Nov 2023 Dec 2023 Jan 2024 Feb 2024 Mar 2024

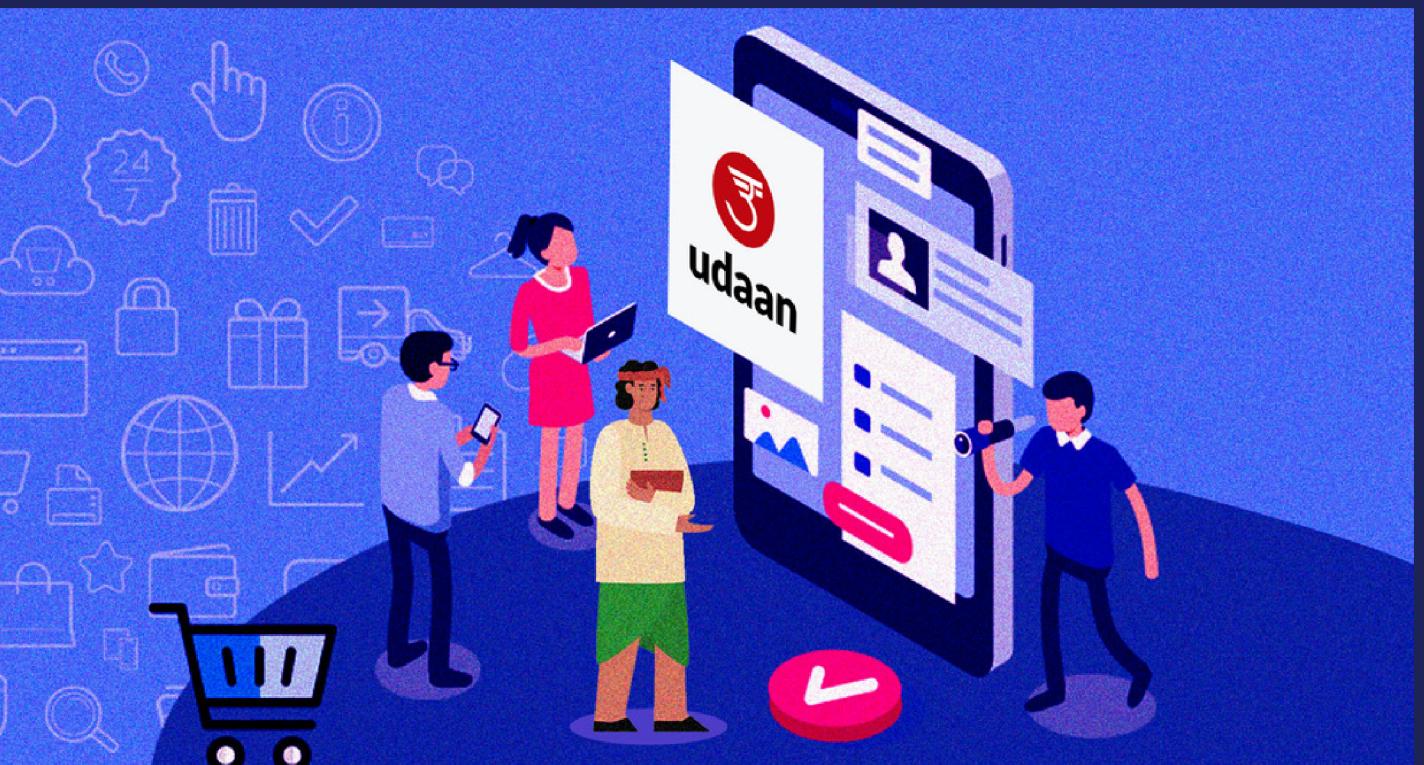


USER RETENTION ANALYSIS

Average retention time period= 4 months



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$$\text{Net Growth in month 1} = 2.2 + (6.54 - 4.5) - 4.5 = -0.26$$

↑ ↑ ↑
Growth from Regular Growth Churned
MM on site Customers

$$\text{Net Growth in month 2} = 2.2 + (9.59 - 4.5) - 4.5 = +2.25$$

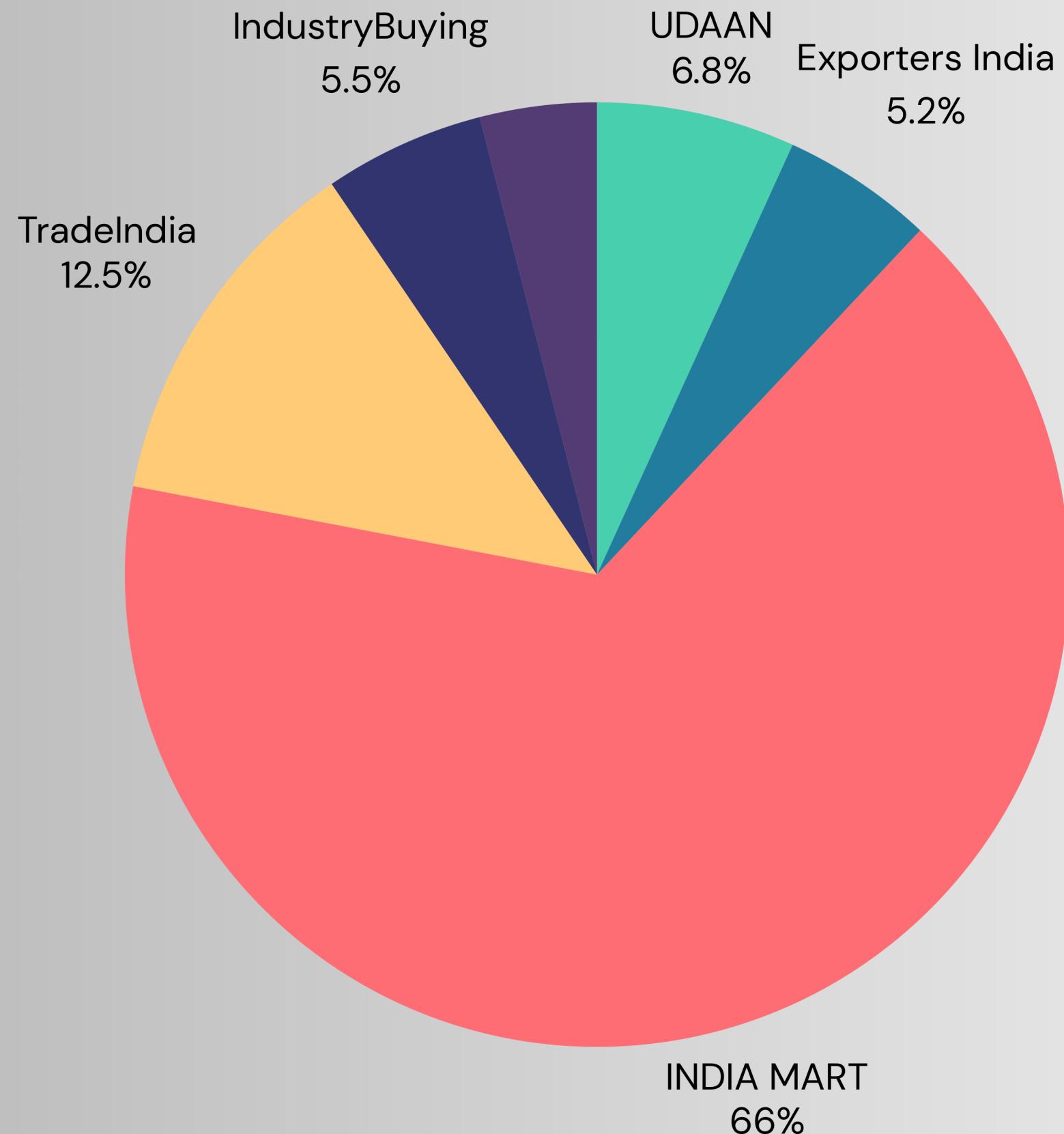
**RETENTION
ANALYSIS**



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MARKET CAPTURE

(AFTER PREDICTED GROWTH)



TRADE INDIA

A steady competitor, experienced growth and downfalls in its 28 years of running

INDIA MART

Being a majority market capturer for quite a while, its established foothold in the FMCG industry and is constantly developing strategies for improvement .

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Udaan will experience a growth of ~3.8 % of the total FMCG market of India using MM strategy

EXPORTERS INDIA

On a path of steady decline due to declining employee trust and count, exporters india's market share will experience a steady drop from 6 to 5.5 %



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CONCLUSION

Udaan's comprehensive strategy aims to focus on geographical expansion, technological enhancement and strong partnerships with FMCG brand and positions it well for future growth. The company's initiatives, such as targeted marketing and the adoption of innovative tech tools, aim to increase market reach and enhance customer engagement. As Udaan continues to expand into tier-2 and tier-3 cities and strengthens its logistic infrastructure, it is set to capture a significant share of the rapidly growing FMCG market in India.

Udaan's dedication to empowering small businesses and enhancing trade efficiency ensures its continued leadership in B2B e-commerce, driving growth and innovation into the future.

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Avg. FMCG shops to be targeted per city = 90

Total cities to be targeted = 15 - 16 000

Time period = 1 year

6 month eval.

Cities targeted = 8000

Shops Targeted = $8000 \times 90 = 7,20,000$

Retain percentage = 30% [From strategy]

Accommodated new customers = $(0.3) \times 7,20,000$
= 2,16,000

TARGET CALCULATIONS AND AVERAGE ASSUMPTIONS

CALCULATIONS



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CAC

Monthly visitor growth = 68.06%

Bounce rate $\approx 22\%$. (predicted scenario)

Predicted foot total = $\left[\frac{(8,00,000 + 4,48,000)}{2} \right] \left[\frac{1+(68 - 22)}{100} \right]$

customer base

$$= \frac{12,48,000}{2} \times (1.46)$$

$$= 6,24,000 \times 1.46$$

$$\approx 9,11,040 \quad ① \text{ (month)}$$

OR.

$$= 4,48,000 \times 1.46$$

$$= 6,54,080 \quad ② \text{ (num)}$$

25 scenarios

UDAAN (Timeline $\rightarrow 1$ month)

(Customer Value) $= (6.15 \times y \times 0.18 \times 30) / \boxed{1}$ Timeline ≈ 1 month

Average Purchase Value = x
(APV)

Purchase frequency = y (visits business to business)
(PP)

Total monthly visitors = 8,00,000

Actual estimated customers = $\left[(0.50 \times 8,00,000) \right] \approx (0.55) \times 8,00,000 = 4,48,000$

35% lower Bounce rate
44% Bounce rate

LTV = $[0.165 \times y] \times \frac{30 \text{ days}}{(y)}$

PP + APV = $xy = \frac{\text{Total Revenue}}{\text{Total purchases}} = \frac{(56.093 \text{ M})}{(0.448 \text{ M}) \times 3} \times \frac{3}{12}$
estimate

$$= (41.7 \times 3) / 12$$

$$= (125.1) / 12$$

$$= 10.439$$

$$= 10.44.$$



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THANK YOU