

INFRA.MARKET



CASE STUDY

BUILDING A BRAND FOR INFRA.MARKET AAC BLOCKS

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BUILDING A BRAND FOR INFRA.MARKET AAC BLOCKS

INTRODUCTION:

- SUSTAINABLE ALTERNATIVE TO RED BRICKS (ECO-FRIENDLY, STRONG, LIGHTWEIGHT).
- 70% MARKET SHARE IN TIER-1 CITIES; EXPANDING INTO TIER-2 & SEMI-RURAL AREAS.
- HIGHLY COMPETITIVE INDUSTRY WITH MULTIPLE PLAYERS.



CHALLENGES:

- ✖ LIMITED DEALER NETWORK – LESS THAN 5% OF CEMENT DEALERS.
- ✖ LOW BRAND AWARENESS – AAC SEEN AS A COMMODITY, NOT A PREFERRED CHOICE.

OBJECTIVE:

- ✓ MARKET EXPANSION – IDENTIFY NEW REGIONS & COST ESTIMATES.
- ✓ MARKETING & BRANDING – INCREASE DEALER PENETRATION TO 20%, ENGAGE INFLUENCERS.
- ✓ OPERATIONAL IMPROVEMENTS – LEVERAGE PARTNERSHIPS & TECH FOR EFFICIENCY.



GOAL: ESTABLISH INFRA.MARKET AAC BLOCKS AS A MARKET LEADER!

MARKETING LANDSCAPE AND COMPETITOR ANALYSIS

P

- Government bans on polluting brick kilns, green building policies, RERA regulations.**



E

- Rising real estate & infrastructure investment, labor cost savings due to faster construction.**



S

- Demand for eco-friendly, durable, and lightweight building materials.**



T

- Advanced automation in AAC production reducing costs and increasing efficiency.**



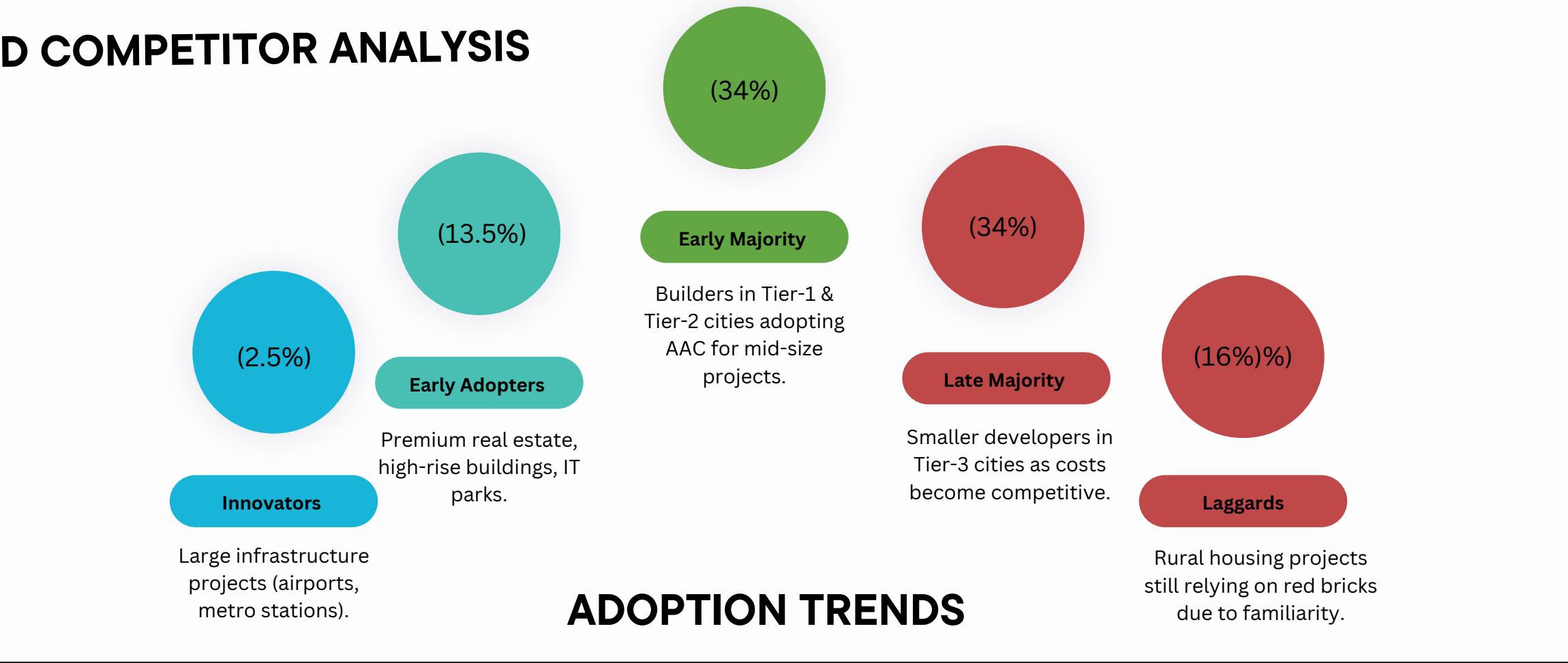
E

- AAC blocks reduce carbon footprint, use fly ash (waste material), and offer energy efficiency.**



L

- Compliance with BIS standards (IS 2185) and environmental sustainability regulations.**

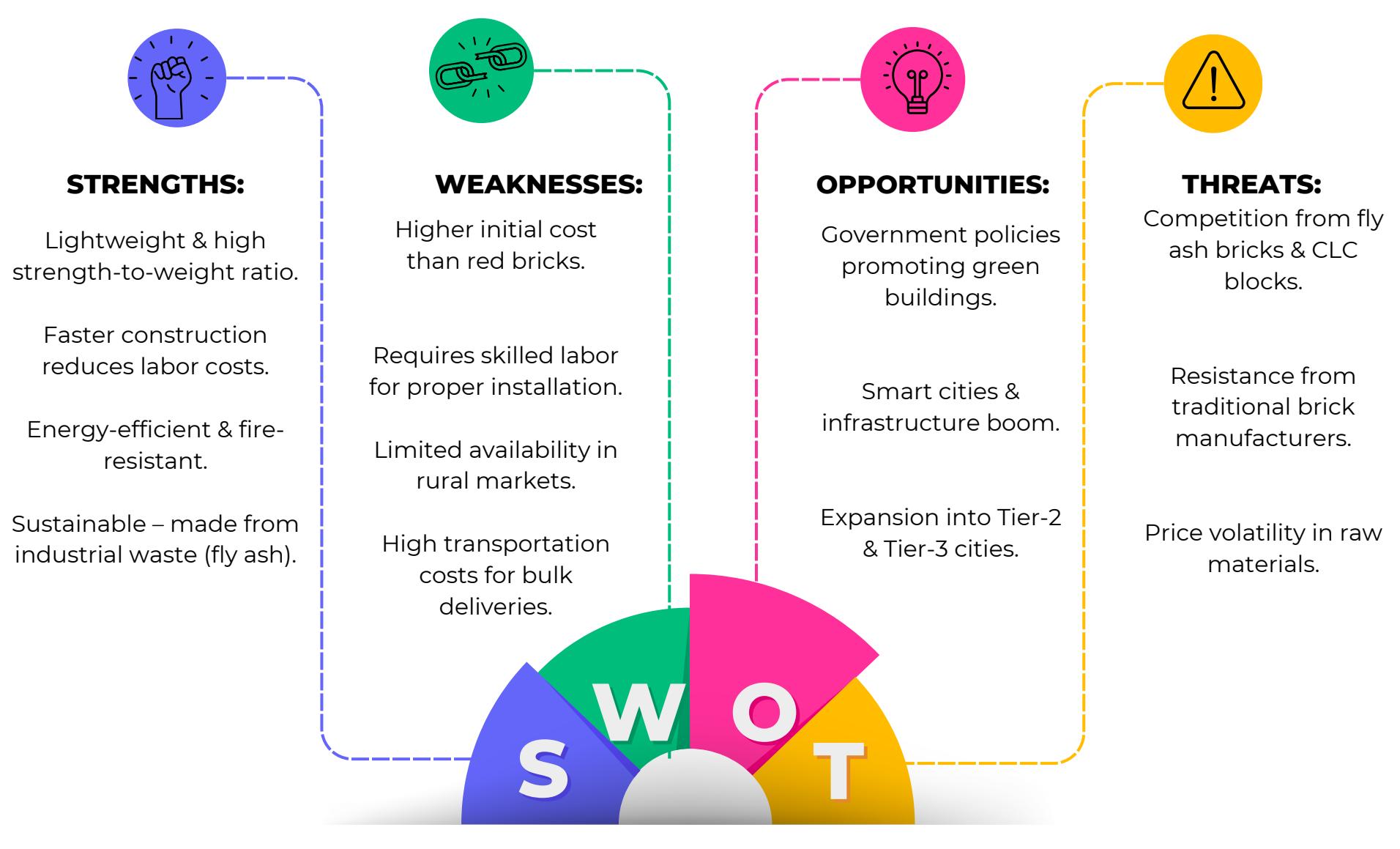


ADOPTION TRENDS

MARKET SIZE OF AAC BLOCKS

Current Brick Market Size (2022)	₹340 billion
AAC Market Share (2022)	4% (~₹13.6 billion)
Projected Total Brick Market (2027)	₹433.5 billion (CAGR ~5%)
Projected AAC Market Share (2027)	8.96% (~₹38.85 billion)

- The Indian brick industry is a significant component of the construction sector. As of 2022, the market size was valued at approximately INR 340 billion (around \$4.3 billion). (Research News Today)
- In India, the demand for AAC blocks has increased tenfold in recent years, yet they still account for only about 4% of the total brick market. (Singhi.com)
- According to a report, the market is anticipated to reach approximately 11,095.0 thousand cubic meters by 2027, growing from 5,323.8 thousand cubic meters in 2019 at a Compound Annual Growth Rate (CAGR) of 14.3%. (Research Dive).
- Market Size₂₀₂₇=340 billion INR×(1+0.05)⁵≈433.5 billion INR.
- Assuming an average price of 3,500 INR per cubic meter: =11,095,000m³×3,500INR/m³≈38.83 billion INR
- Market Share₂₀₂₇=(Total Market Size₂₀₂₇/AAC Market Size₂₀₂₇)×100.
- AAC Market Size₂₀₂₇=(8.96/100)×433.5 billion INR= ₹38.85 billion.



Competitive Landscape

Industry Rivalry

High – Competition among brands like Ultratech, Birla Aerocon, Magicrete.



Threat of Substitutes

Moderate – Fly ash bricks & CLC blocks compete on price, but AAC has better durability.

Threat of New Entrants

Moderate – High setup costs but growing demand encourages new players.

Bargaining Power of Buyers

High – Builders compare AAC with cheaper alternatives (red bricks, CLC).

Bargaining Power of Suppliers

Low – Fly ash and cement are widely available.

High Market Reach & Distribution

[UltraTech AAC]

[Siporex]

[Birla Aerocon]

(AAC Blocks Category)
[Magicrete]

[Regional AAC Players]

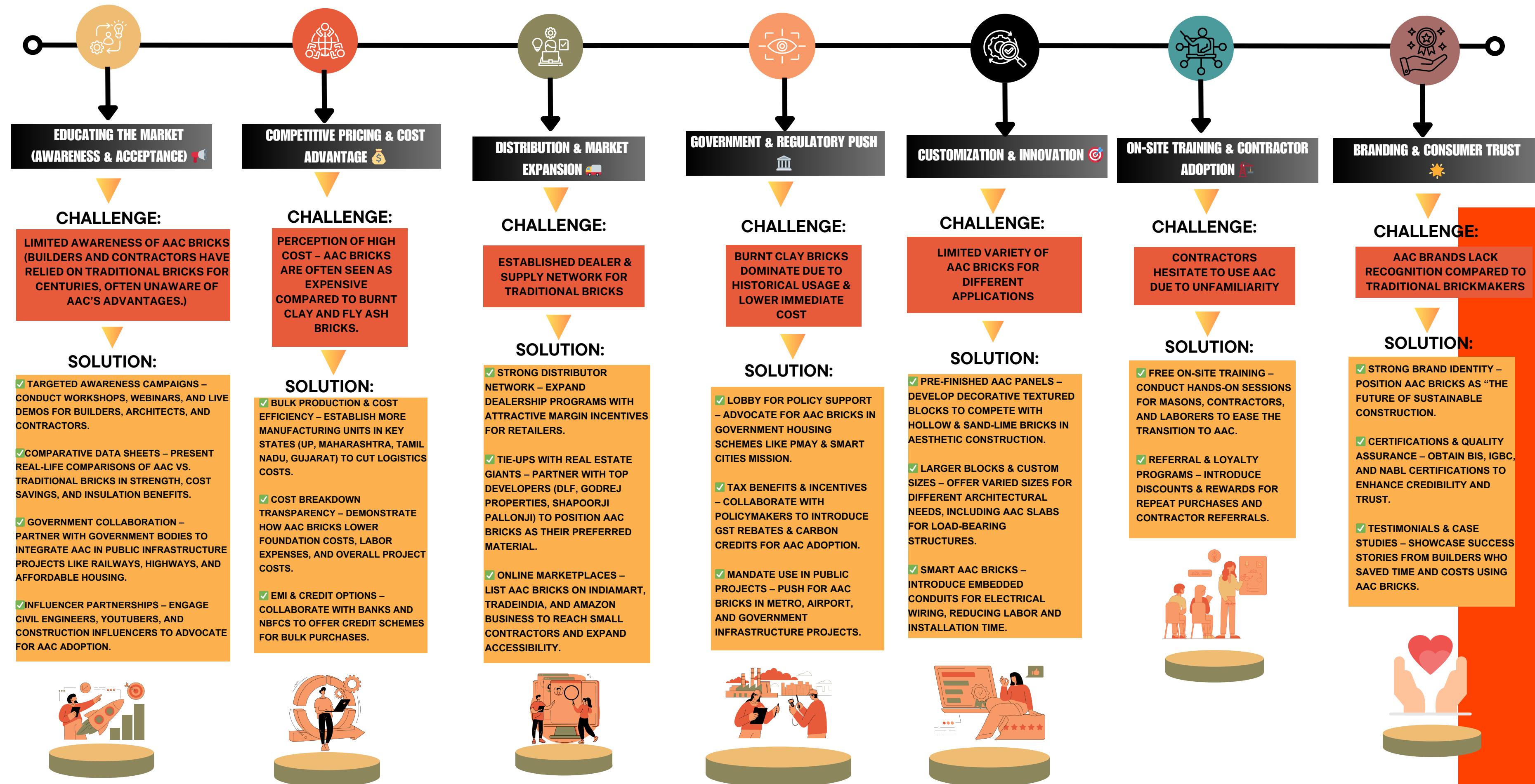
[Traditional Red Bricks]

→ High Brand Recognition

KEY OBSERVATIONS:

- AAC Blocks as a Category are positioned above traditional red bricks in terms of reach & distribution due to their adoption in commercial and urban projects.**
- Market Leaders (UltraTech AAC & Siporex) are pushing AAC adoption higher.**
- Regional AAC Manufacturers have limited brand recognition and focus on niche markets.**
- Traditional Red Bricks dominate rural and small-scale construction but lag behind in innovation and eco-friendliness.**

LEVERAGING THE UNIQUE BENEFITS OF AAC BRICKS



STRATEGIC REGIONAL EXPANSION: TAILORING AAC BRICKS TO LOCAL NEEDS AND MAXIMIZING REGIONAL OPPORTUNITIES



MARKET STRATEGY



WHY?

High-Demand Metropolitan Cities (Tier-1 Cities)



Target Areas:

- Delhi NCR, Mumbai Metropolitan Region, Bangalore, Hyderabad, Chennai, Kolkata



MARKET STRATEGY



WHY?

Industrial & Manufacturing Hubs



Target Areas:

- Gujarat, Maharashtra, Tamil Nadu, Karnataka



MARKET STRATEGY



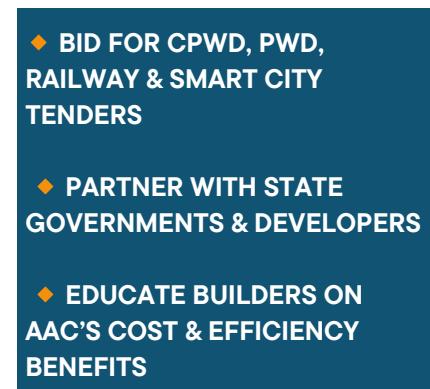
WHY?

Emerging Smart Cities & Government Projects



Target Areas:

- Uttar Pradesh, Madhya Pradesh, Rajasthan, Chhattisgarh, Odisha



MARKET STRATEGY



WHY?

Cost-Sensitive Rural & Semi-Urban Markets



Target Areas:

- Hilly Regions – Punjab, Haryana, HP, Uttarakhand (Earthquake-resistant)
- Rural Housing – Bihar, Jharkhand, WB, Assam, NE (Affordable & durable)
- Eco-Conscious States – Telangana, AP, Kerala (Sustainable focus)



UNIFIED APPROACH TO DOMINATING THE BRICK MARKET

Executive Summary

AAC bricks are eco-friendly, lightweight, and durable, offering a superior alternative to traditional bricks. This strategy focuses on leveraging cost benefits, regulatory support, and distribution expansion to capture the Indian market.

MARKET ANALYSIS

INDUSTRY SIZE: \$738.5B (2024) | GROWTH: 6.2% CAGR TILL 2030

TARGET SEGMENTS:

- ✓ RESIDENTIAL BUILDERS & DEVELOPERS
- ✓ GOVT. PROJECTS (SMART CITIES, PMAY)
- ✓ INDIVIDUAL HOME BUILDERS
- ✓ CONTRACTORS & MASONS
- ✓ RETAIL & WHOLESALE DEALERS

BUSINESS STRATEGY

- ✓ USP: 3X LIGHTER, 30% ENERGY-EFFICIENT, 40% FASTER CONSTRUCTION, FIRE/PEST RESISTANT
- ✓ PRICING: BULK DISCOUNTS, MONTHLY CONTRACTS, GOVT. INCENTIVES

MARKET PENETRATION PLAN

- 📢 AWARENESS: WORKSHOPS, BUILDER SEMINARS, SOCIAL MEDIA CAMPAIGNS
- 📦 DISTRIBUTION: REGIONAL WAREHOUSES, DEALER TIE-UPS, E-COMMERCE (INDIAMART, AMAZON)
- 🏗️ GOVT. SUPPORT: SECURE TENDERS, GREEN BUILDING CERTIFICATIONS, POLICY ADVOCACY

PRODUCT INNOVATION

- ✓ PRE-FINISHED AAC PANELS (COST-SAVING)
- ✓ CUSTOM SIZES & SMART BRICKS (INTEGRATED WIRING)

FINANCIAL PROJECTIONS

💰 INVESTMENT: ₹10-15 CR (SETUP) | ROI: 25-30% P.A. | BREAK-EVEN: 3-4 YEARS

NEXT STEPS

- 🚀 PARTNER WITH REAL ESTATE DEVELOPERS & GOVT. AGENCIES
- 🚚 STRENGTHEN SUPPLY CHAIN FOR NATIONWIDE REACH
- 📣 LAUNCH AGGRESSIVE AWARENESS CAMPAIGNS



GOAL:

Establish AAC bricks As India's leading sustainable construction material!

AAC BRICKS: IMPLEMENTATION ROADMAP & MARKETING PLAN

Phase 1

Market Research & Strategic Positioning (0-3 Months)

- ✓ Identify target customers – Builders, govt. contractors, industrial & retail buyers
- ✓ Competitor analysis – Position AAC as cost-effective & premium
- ✓ Set competitive pricing & bulk discounts

Phase 2

Production & Supply Chain Development (3-6 Months)

- ✓ Secure raw materials (fly ash, lime, cement, gypsum) & set up production
- ✓ Establish regional warehouses & logistics partnerships
- ✓ Develop dealer & distributor networks in Tier-1 & Tier-2 cities

Phase 3

Market Entry & Brand Awareness (6-12 Months)

- Marketing Campaigns
 - ✓ Website, social media, B2B listings (IndiaMART, Udaan)
 - ✓ Google & LinkedIn Ads for real estate & industrial buyers
 - ✓ On-ground workshops & trade fair partnerships (ACETECH, EXCON)

Phase 4

Expansion & Customer Retention (12-24 Months)

- ✓ Expand dealer networks in Tier-2 & Tier-3 cities
- ✓ Launch pre-fabricated AAC panels & customized bricks
- ✓ Offer loyalty programs, training, & a mobile app for order tracking

GOVERNMENT TIE-UPS

- ✓ REGISTER WITH CPWD, PWD, SMART CITY PROJECTS
- ✓ SECURE TENDERS & POSITION AAC AS ECO-FRIENDLY FOR INCENTIVES

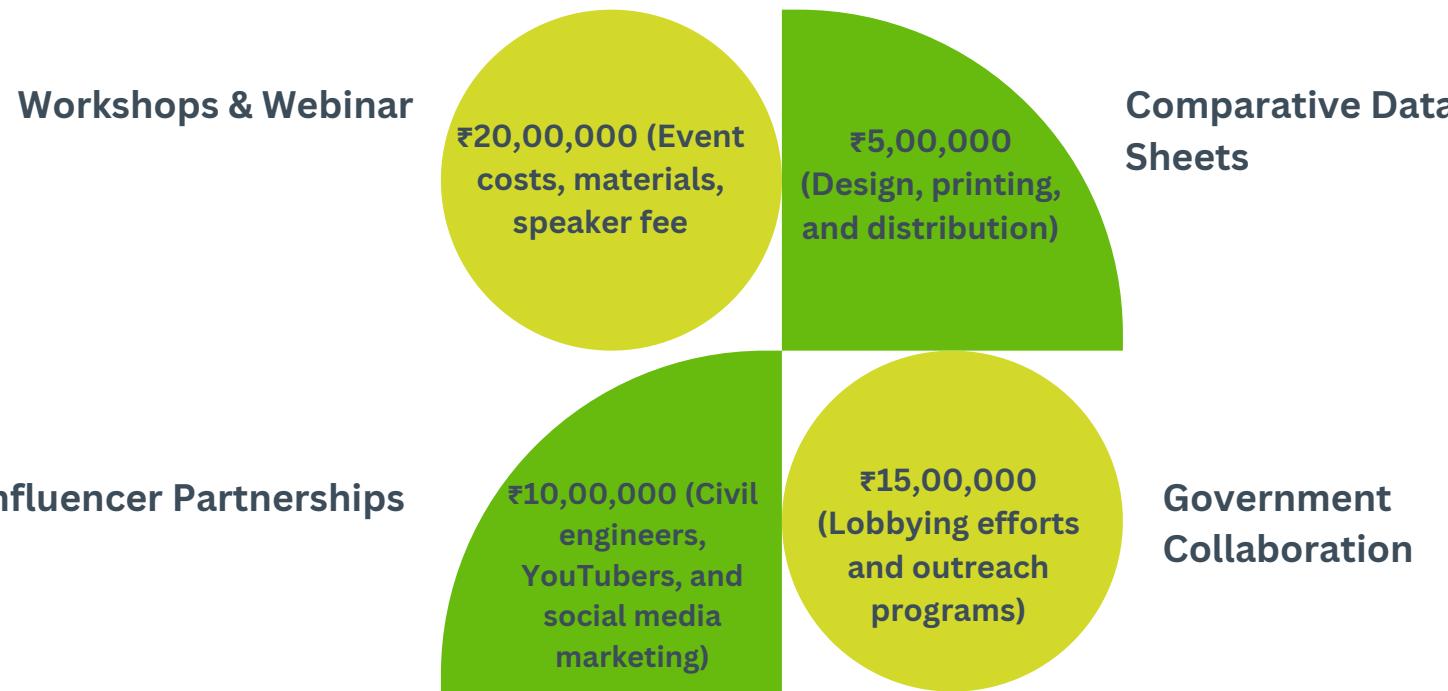
KEY SUCCESS FACTORS

- ✓ COMPETITIVE PRICING & BULK DISCOUNTS
- ✓ STRONG SUPPLY CHAIN & LOGISTICS NETWORK
- ✓ GOVERNMENT APPROVALS & INSTITUTIONAL TIE-UPS
- ✓ AGGRESSIVE DIGITAL & ON-GROUND MARKETING
- ✓ CONTINUOUS PRODUCT INNOVATION FOR INDUSTRY NEEDS

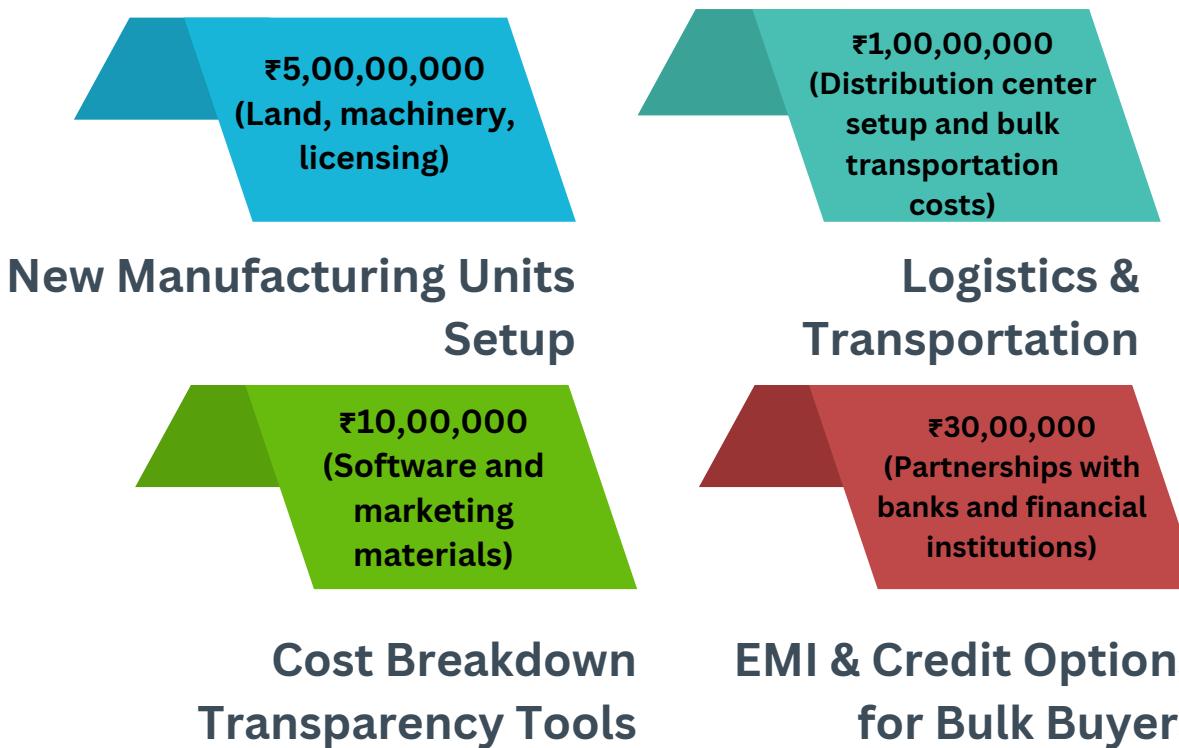


Cost Breakdown for Implementation

MARKETING & AWARENESS CAMPAIGNS



COMPETITIVE PRICING & COST REDUCTION



Market Demand & Sales Volume

- AAC bricks will capture 5% of the current market share in Year 1.
- Expected production and sales volume: 10 lakh cubic meters per year.

Pricing & Revenue

- Average selling price: ₹6,000 per cubic meter.
- Bulk order discounts factored into pricing structure.

Cost Structure

- Raw material costs estimated at ₹3,000 per cubic meter.
- Manufacturing and logistics costs calculated at ₹2,000 per cubic meter.
- Marketing and operational overheads considered in budget.

DISTRIBUTION & MARKET EXPANSION

Tie-ups with Real Estate Giants

₹1,00,00,000 (Business development efforts and partnership programs)

Dealer Incentives & Margins: ₹50,00,000 (Commission and partnership incentives)

Dealer Incentives & Margins

₹25,00,000 (Listing, promotions, and e-commerce support)

Online Marketplace Presence

Government & Regulatory Compliance

Lobbying for Policy Support

₹30,00,000 (Meetings, policy recommendations, legal support)



Tax Incentives & Mandates

₹20,00,000 (Legal consultants and lobbying expenses)

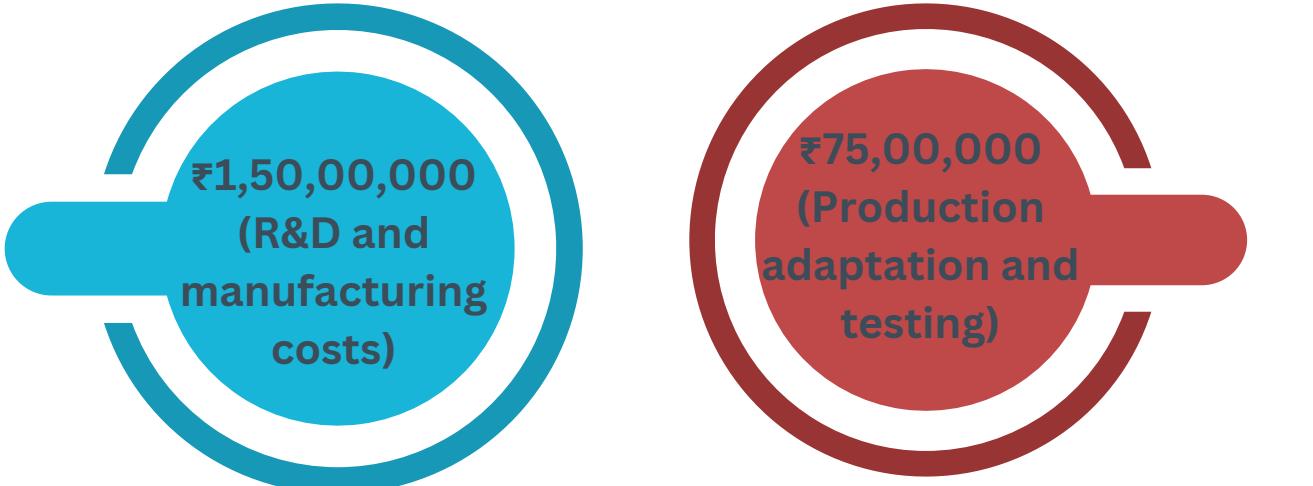


Government Project Tenders

Create a ticket in the IT service management (ITSM) system for each service request.



Product Innovation & Customization



Pre-finished AAC Panels
Development

Custom Sizes & Smart Bricks

On-Site Training & Contractor Adoption

01.

Free On-Site Training:

₹30,00,000 (Training materials, experts, and field demonstrations)

02.

Referral & Loyalty Programs

- ₹25,00,000 (Incentives and discounts for adoption)

Branding & Consumer Trust

Strong Brand Identity & Marketing:
₹1,00,00,000 (Advertising, branding, social media, website, and PR)

Certifications & Quality Assurance:
₹50,00,000 (BIS, IGBC, NABL approvals)

Testimonials & Case Studies:
₹25,00,000 (Video production, case studies, digital marketing)

Marketing & Awareness	50,00,000
Cost Reduction & Pricing Strategy	6,40,00,000
Market Expansion	1,75,00,000
Government & Regulatory Support	1,00,00,000
Product Innovation	2,25,00,000
Training & Adoption	55,00,000
Branding & Trust	1,75,00,000

Revenue & ROI Estimation

Projected Revenue Streams

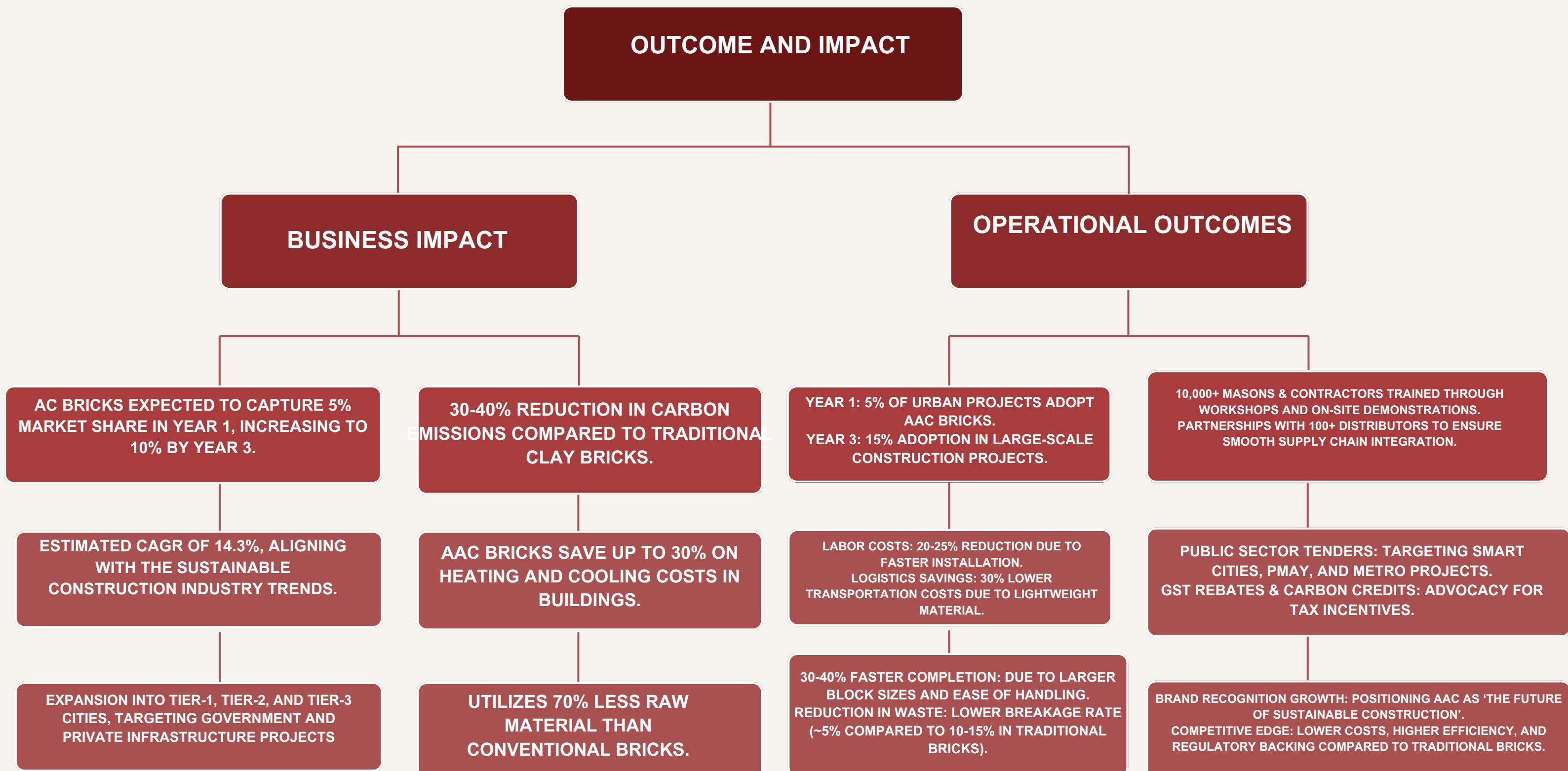
- Direct Sales to Construction Companies & Government Projects: ₹40,00,00,000
- Retail & Distributor Sales: ₹15,00,00,000
- Online & Bulk Orders: ₹5,00,00,000

Total Expected Revenue (Year 1-2): ₹60,00,00,000

Profitability & Break-even Analysis

- Estimated Gross Profit Margin: 30%
- Expected Annual Profit: ₹18,00,00,000
- Break-even Timeline: Within 1 year (based on projected sales & demand growth)

IMPACT & OUTCOME OF AAC BRICK MARKET STRATEGY



THANK YOU

“ MAJBOOT BLOCKS, MAJBOOT DEEWAREIN “

