

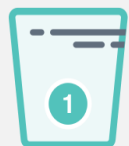
What is Supr Daily: Daily subscription-based micro-delivery service.

GOAL: Monetizing every urban household's morning routine



Order by 11, get by 7

USP: Leveraging milk railroad for delivering groceries by 7am to users who placed an order by 11pm.



No minimum order

2015 Founded

6 Cities



Buy fresh, eat fresh

500,000 Customers

200,000 Orders/day

\$12M Est. Annual Revenue



Live life on auto-pilot!



SWIGGY

Acquired by

Swiggy - Case Study
ASHWIN GOYAL
IIT Ropar
2018MEB1214

Competitors



DailyNinja

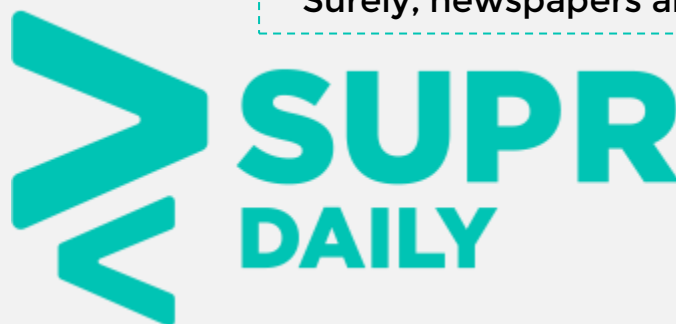
Breaking down the Problem Statement

Problem

Supr Daily looks to start adding dailies/weeklies/monthly **magazines/newspaper** to its subscription service - what would the **market size** for this opportunity be?

Goal

Supr Daily already has the framework and tech in place. It delivers groceries daily/weekly/monthly. What are other **subscription based** categories delivered at similar frequencies which users can benefit from? Surely, newspapers and magazines fit the bill and have a **huge** potential.



Strengths

Swiggy & SuprDaily have the tech for micro-delivery

The 'newspaper agents/hawkers' can be regular Supr Daily employees. They are free after 7am → can deliver for Swiggy at that time

Opportunities

TAM of newspaper market= ₹206 Bn (2019)

6 Tier-1 cities (where Supr is functioning) have a huge chunk of newspaper/magazine consumers

Supr Daily USP

- Delivery partner network
- Strong Tech for smooth micro-delivery
- Subscription based model



Newspaper/Magazine Market Salient features

- Efficient Supply Chain
- Most revenue from delivery based subscription model



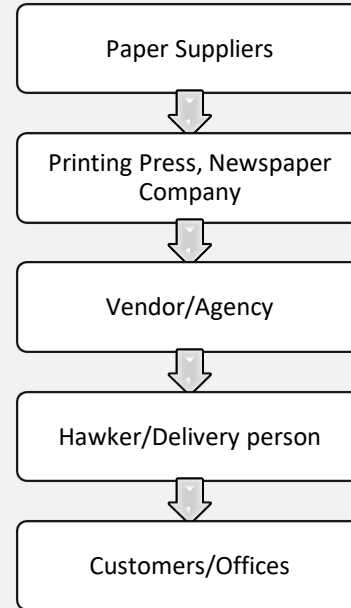
STRONG FIT

Problem

- Large number of newspapers to be delivered every morning without fail.
- Most of the newspapers are sold via **subscription models**; more and more news/magazine companies are adopting subscription based offerings
- At a global level, only **5%** of people are likely to pay for **online** news in the next year. **Free online and offline news sources** (newspaper, magazines) are still the preference for them. [Source: Twipe research]

How it is being solved

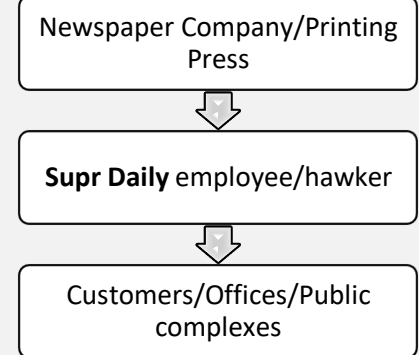
Newspaper and magazine delivery supply chain



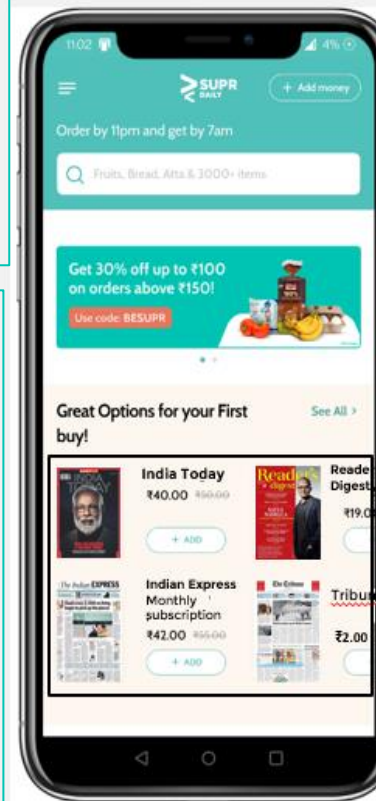
Where does Supr Daily come in

- Deliver newspapers directly from newspaper companies, agencies and vendors
- Deliver magazines directly from publishers and vendors; people can subscribe to magazines directly from Supr app itself
- Newspaper supply chain after Supr Daily

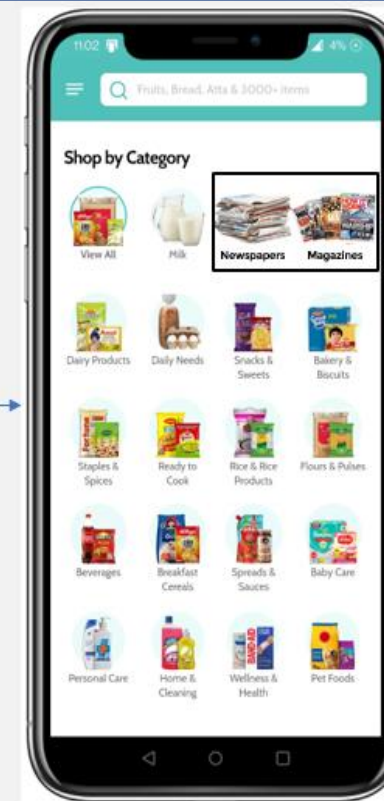
Future with Supr Daily



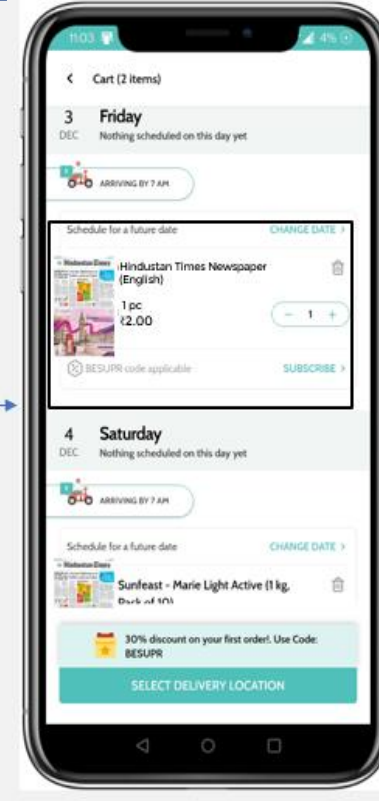
UX WIREFRAMES



HOME SCREEN
Choose from famous newspapers & magazines



ALL CATEGORIES
With newspapers and magazines category



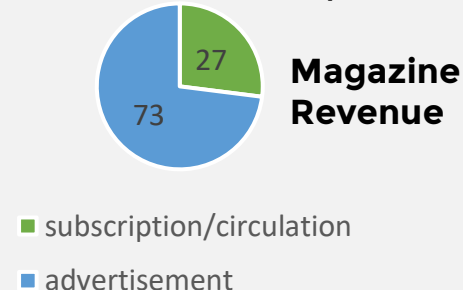
CART VIEW
Newspaper arriving on 3 Dec

Indian Newspaper Market

- 2nd largest** Newspaper market in the world
- 1 lakh** Publications registered with Registrar of Newspapers
- 240 Mn** Copies circulated daily (2018)
- Readership= 2.5* Circulation** Readership vs Circulation
- 5%** Digital newspapers consumption (2019)

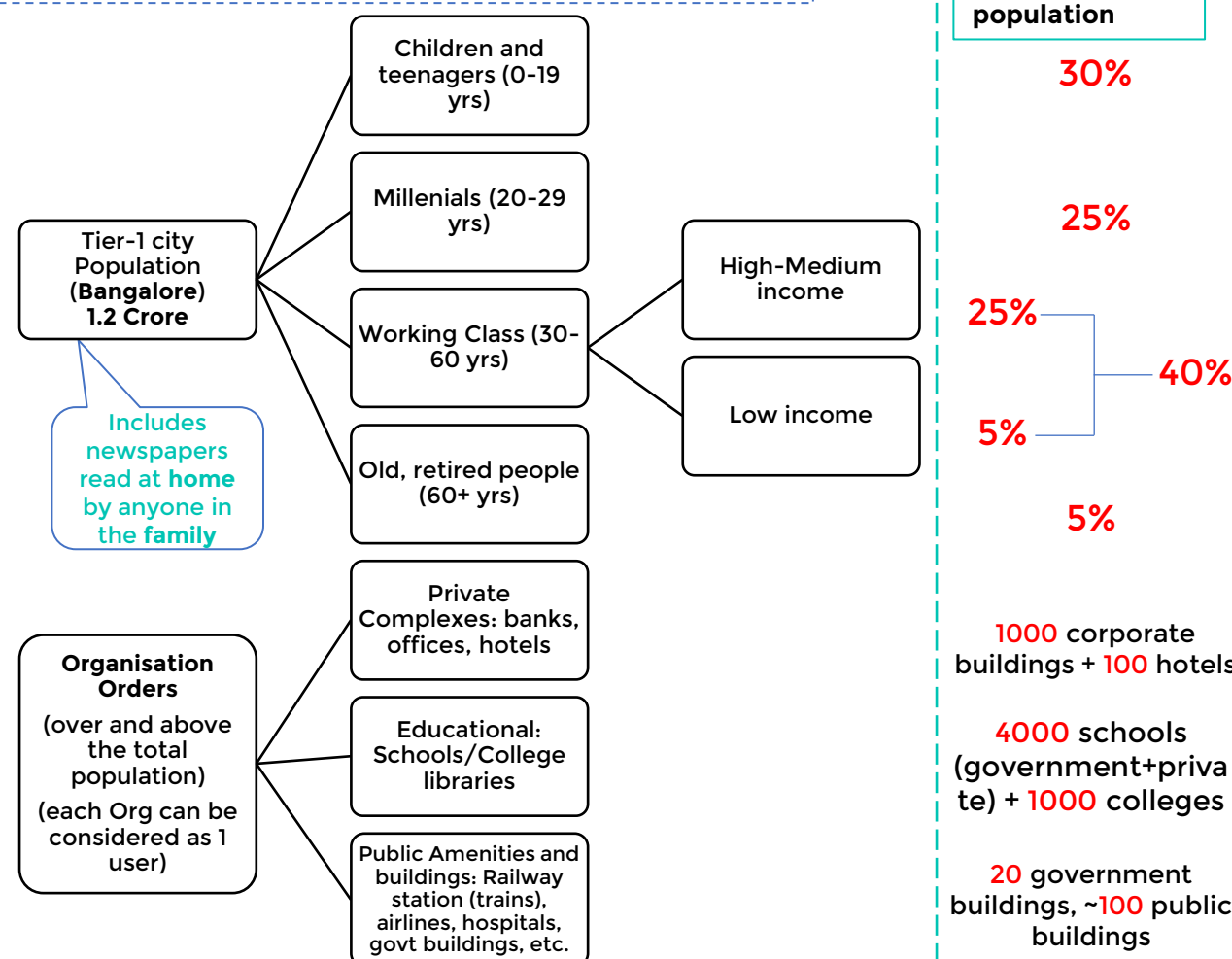
Magazines Market

- 49000** Magazine Publications
- 87 Mn** Magazine readership (2019)



Market Size: Newspapers

We will see this problem from a demand perspective.



Revenue from Newspaper subscriptions

A	B	C	D	E
% of total population	% of pop. buying newspapers	Can Supr cater to them?	# of newspaper subscriptions /user/month	Total Units Bought (1.2 Cr* A*B*C*D)
30%	~0%	Yes, we will deliver at homes, schools etc	1	0
25%	5%	Yes, we will deliver at hostels, flats, Airbnbs, colleges etc	1	150000
25% 40%	80/2** =40%	Yes, delivered everyday at home	2	2400000
5%	50/2**=25%	No, may be tough to go to rural places and deliver	1	0
5%	50%	Yes, we will deliver at homes	2	600000
1000 corporate buildings + 100 hotels	50%	Yes, delivered at company gate, kept at reception by gate keeper)	2	1100
4000 schools (government+private) + 1000 colleges	80%	Yes, delivered at gate, transferred to libraries, director office)	1	4000
20 government buildings, ~100 public buildings	80%	Yes, delivered at gate/control room/office door etc.	2	192

CALCULATIONS

Total Newspaper Revenue = (# of Units Sold/month) * (Avg. Price/unit)
= (units bought/customer * number of customers) * (₹ 2)
= ((frequency of purchase [30 days] * newspapers sold per customer) * (Population * %buyers out of total population)) * (whether Supr can deliver them or not) * (₹ 2)
= (30*D) * (A*B) * C * (₹2) = 30* (A*B*C*D) * 2 = 60*(Total E) = **₹20 Crore /month**

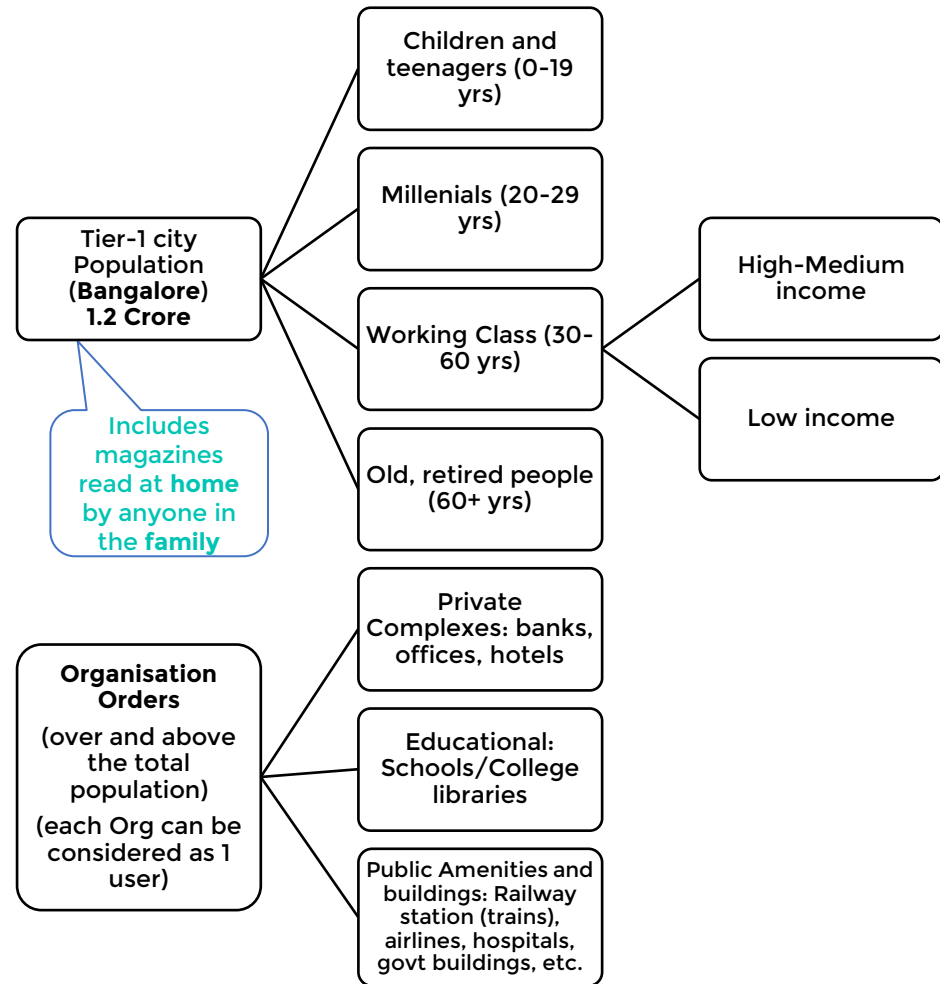
Total #of units = 10 Crore units per month

** divide by 2 since husband and wife would not buy the subscription twice for their household

- ASSUMPTIONS**
- Since Supr Daily is operating in Tier-1 cities only as of now, I have estimated the market for a Tier-1 city in general. Eg: Bangalore
 - More than 1 type of newspapers/magazines can be clubbed in a single order if destination is the same
 - Tier-1 cities have a negligible population of non-working females/housewives
 - For newspapers, we have most people opting in for daily subscriptions and there is a negligible no. of people opting for weekly, monthly newspaper subscriptions
 - Average price of newspapers, magazines is same in all tier 1 cities/across India

Market Size: Magazines

We will see this problem from a demand perspective.



Revenue from Magazine subscriptions						
A	B	C	D			E
% of total population	% of pop. buying newspapers	Can Supr cater to them?	# of newspaper subscriptions per user/month			Total Units Bought (1.2 Cr* A*B*C*D)
			Daily *30	Weekly *4	Monthly *1	
30%	~5%	Yes, we will deliver at homes, schools etc	0	1	0	0
25%	5%	Yes, we will deliver at hostels, flats, Airbnbs, colleges etc	0	1	0	600000
25% 40%	40/2** =20%	Yes, delivered everyday at home	0	1	1	3000000
5%	~0%	No, may be tough to go to rural places and deliver	0	0	0	0
5%	20%	Yes, we will deliver at homes	0	0	0	0
1000 corporate buildings + 100 hotels	50%	Yes, delivered at company gate, kept at reception by gate keeper)	1	1	1	19250
4000 schools (government+private) + 1000 colleges	50%	Yes, delivered at gate, transferred to libraries, director office)	1	1	1	87500
20 government buildings, ~100 public buildings	20%	Yes, delivered at gate/control room/office door etc.	1	1	1	840

CALCULATIONS

Total Magazine Revenue = (# of Units Sold/month) * (Avg. Price/unit)
 = (units bought/customer * number of customers) * (₹ 50)
 = ((frequency of purchase [daily/weekly/monthly] * newspapers sold per customer) * (Population * %buyers out of total population)) * (whether Supr can deliver them or not) * (₹ 50) = **(Total E)* 50 = ₹18 Crore per month**
Total #of units = 37 lakh units per month

** divide by 2 since husband and wife would not buy the subscription twice for their household

ASSUMPTIONS

- Since Supr Daily is operating in Tier-1 cities only as of now, I have estimated the market for a Tier-1 city in general. Eg: Bangalore
- More than 1 type of newspapers/magazines can be clubbed in a single order if destination is the same
- Tier-1 cities have a negligible population of non-working females/housewives
- Average price of newspapers, magazines is same in all tier 1 cities/across India
- Covid-19 related factors are ignored for now; facts, figures are from pre-Covid levels

FINAL CALCULATIONS

TOTAL MARKET SIZE for Bangalore

= NEWSPAPER REVENUE + MAGAZINE REVENUE = (1) + (2)

= ₹20 Crore + ₹18 Crore = ₹200 Mn + ₹180 Mn = ₹ 380 Mn per month

TOTAL UNITS SOLD in Bangalore= 10 Crore units + 37 lakh units = 47 lakh units per month = 4.7 Mn units per month

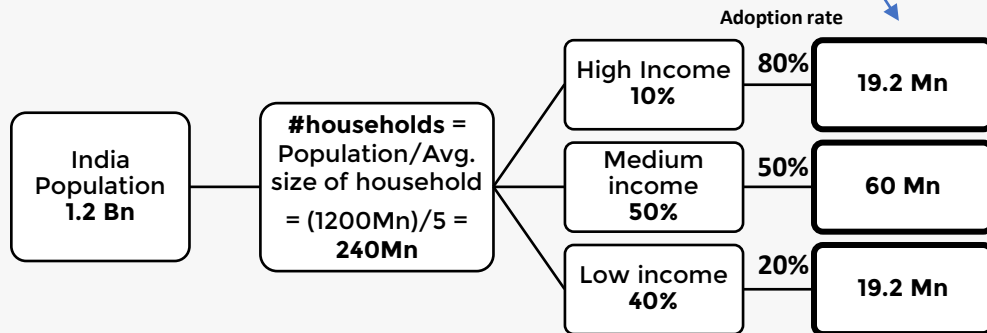
How big is the market?
TAM, SAM, SOM

TOTAL ADDRESSABLE MARKET (TAM)

(Total Population of India which consumes print media)

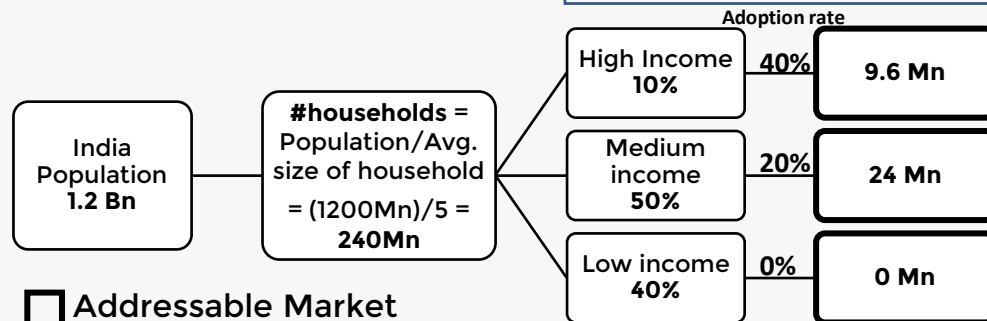
NEWSPAPERS

Consumption = population*
adoption rate of newspapers



MAGAZINES

Consumption = population*
adoption rate of magazines



□ Addressable Market

CALCULATION OF TAM

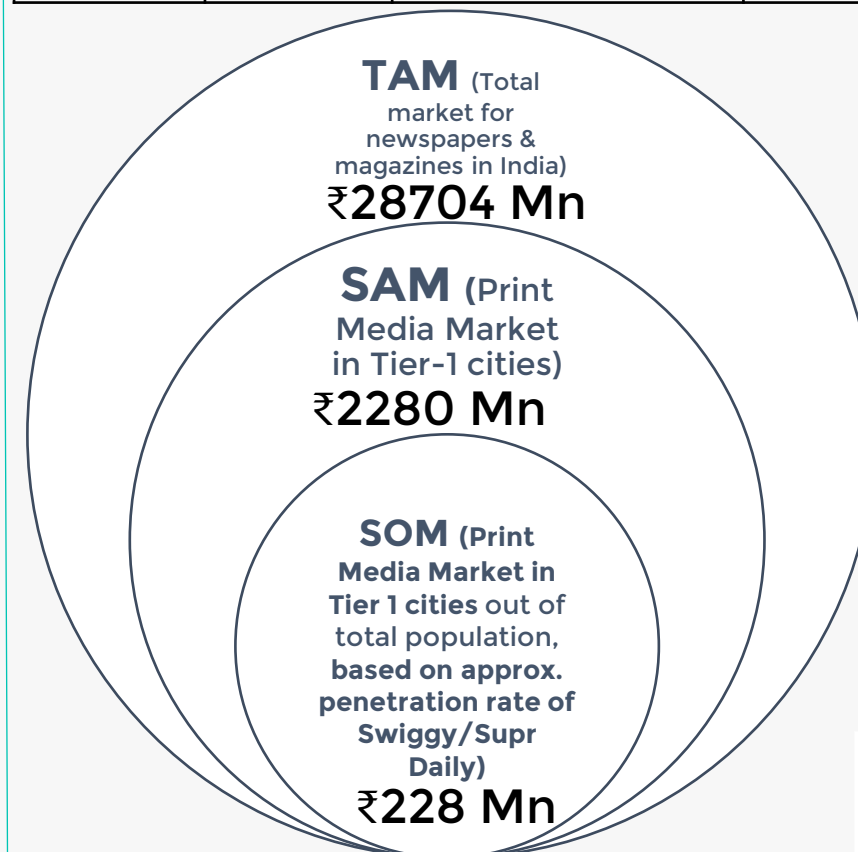
TAM = #NEWSPAPERS*frequency/month*Avg. price +

#MAGAZINES*frequency/month *Avg. price

= (19.2+60+19.2)*30 [daily subscription]*2 + (9.6* (30 [daily] +4 [weekly] +1[monthly])) + 24* (0+4+1)+ 0)*50= 2952*2+456*50= 5904 + 22800 = ₹ 28704 Mn

TAM, SAM, SOM

	TAM (Total Addressable Market)	SAM: Serviceable available market (for 6 Tier 1-cities)	Penetration Rate of Supr Daily in Tier-1 cities	SOM (Serviceable obtainable market) = SAM*Penetration Rate
Newspapers	5904	200*6 = 1200	10%	120
Magazines	22800	180*6 = 1080	10%	108
Total	₹28704 Mn	₹2280 Mn		₹228 Mn



Swiggy - Product Analyst - Case Study
ASHWIN GOYAL
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2018MEB1214