

THE HOLY TRINITY

GLOBAL CHALLENGE 2022

Entrepreneurs with Purpose

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Every age group faces unique problems on sexual wellness



Research and Insights



Primary Research

Teens

15-19 years

- **Awareness** - Very low on both sex education and condom use
- **Purchase** - Ashamed to buy condoms, retailers also show hesitance
- **No support system, faulty information sources** - No talk on sex education from parents and in schools is only namesake; resort to either friend who are themselves unaware or to pornographic websites that give out very wrong messages on sex
- **Content consumption** -



College-goers

20-24 years

- **Awareness** - Moderate on both sex and condom use
- **Experimenters** - Tries out varieties in condoms, focus on experience from condom
- **Issues** - Exploration in a negative connotation, pretentious, non-acceptance to unawareness, indulgence in unsafe sex
- **Content consumption** -



First Jobbers

25-28 years

- **Awareness** - High on both sex and condom use
- **Purchase power** - high; prefers quality and branded products
- **Loyalists** - Have developed a liking for specific brands and varieties of condoms
- **Issues** - Want a non-judgemental and discrete buying place (e.g. D2C)
- **Content consumption** -



Early Marriage

29-34 years

- **Awareness** - High on both sex and condom use
- **Purchase power** - high; prefers quality and branded products
- **Focus on pleasure**-driven condoms; mainly used to avoid unexpected pregnancies
- **Issues** - Perceived as trust issue if condom use is encouraged within marriage
- **Content consumption** -



Settled

35-49 years

- **Awareness** - High on sex; low on condom use
- **Purchase power** - high; prefers quality and branded products
- **No privacy, tired from work** - reasons for highly skewed unplanned sex
- **Issues** - Why use condoms after sterilization - commonly asked; women very hesitant to buy from stores
- **Content consumption** -



Key Insights



Teens (15-19 years)

Low on awareness and **curious** about the physical and hormonal changes during adolescence, **lack proper guidance**

College-goers (20-24 years)

Unreal sex expectations are fed to college-goers through **PORNOGRAPHY** with highlights being, **unprotected sex labelled as COOL**



First Jobbers (25-28 years)

Content consumption pattern shifts from social media and freemium models to OTT Platforms

Early Marriage (29-34 years)

Higher frequency of sex and higher emphasis on **pleasure** with **non-condom usage labelled as TRUST**, an important factor in marriage



Settled (35-49 years)

Unplanned sex because of **no privacy** and exhausting work schedule, sterilization used to prevent pregnancy

Secondary Research

LIVESCINCE

Pornography was mentioned the most "helpful" source of information for **18 to 24 year-olds**

78%

men between 20-24 years of age **did not** use contraceptive with their **last partner**



82% men were **aware** that consistent use of condoms can **reduce** the chance of getting HIV/AIDS, but **only 1 in 10** use condom

1 in 5

women buy condoms, **65%** have **never** bought condoms

Planned Parenthood

Delayed **ejaculation** is a major **benefit** associated with condom use besides the usual ones

BBC NEWS

2.5 million+ LGBTQ+ community in India has **7% HIV positivity rate**

ET

ECONOMIC TIMES.COM

Ban on condom TVC from 6 am to 10 pm - counterproductive and enhances the label on sex education as **taboo**

CAGR for condom market is **only 2%**, and *India has 3rd highest cases of HIV*

Women

Purchase frequency still low; need for activating action through message of shared responsibility

LGBTQ+

None of the brands have LGBTQ+ community as integral part of their advertisements, **limited** talks on sexual wellness

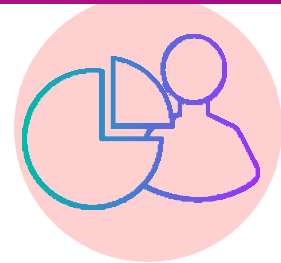
GLOBAL CHALLENGE 2022

Entrepreneurs with Purpose

Catering the needs and discovering potential of an untapped group



Segmentation and Gap Analysis



Segmentation

Unaware

- **NO** prior sexual knowledge
- **Not aware** of which condom to use, how to use
- Gets **information** from **unreliable sources**

Goals:

- Safe sex
- Stress-free sexual experience

Challenges:

- **Nervousness** from unreal expectation
- **No support system** to discuss issues

Hesitant

- Understands sexual health and wellness
- May or may not understand the benefits of condoms
- Purchase phobia, a mental barrier to being judged

Goals:

- **Stress-free purchase** experience
- **Pleasure** is an **important** factor

Challenges:

- Asking at the reception, or finding in supermarkets (placed in corners)
- Judged by retailer or other customers

Experimenters

- Fairly educated on sexual health and condom benefits
- Want to try new experiences through new condom varieties

Goals:

- Safe sex but no compromise in pleasure

Challenges:

- Convincing partner to use condom consistently
- Trust issues in recently married couples if condom use insisted

Substitute users

- Already **uses other forms of contraception (female sterilization)**
- Does not understand the benefits of condoms beyond pregnancy prevention
- Perceives condom as a barrier to pleasurable sexual experience

Goals:

- Maintain one's health and sexual hygiene

Challenges:

- Side effects on women, as it dominantly includes female sterilization and pills
- Trust issues if condom use is insisted on even after sterilization

The Inclusion Angle

Common in all segments and needs focus

Women

- Believes it is her equal responsibility to have safe sex
- Has a mental barrier of being judged during purchase

LGBTQ+

- **Confused/unclear** about condom use as all ads **portray heterosexuals**
- **Started feeling positive** from a few brand's social media **campaigns** on the **LGBTQ+ community**
- Needs reliable **sexual wellness** source

Targeting

Primary Focus

Substitute Users

Age 35+ and why condoms are needed even after sterilization

Experimenters

Current condom users; focus on marketing innovative offerings

Secondary Focus

Hesitant

Focus only on making condoms available through D2C channel or other online channel

Future Customers

Unaware

Focus on brand connection through sexual wellness education rather than selling

Gap Analysis

Current State

Facts	Problems	Impact	Root cause	Emotion	Future stage
I am not aware what is safe sex	I was made fun of by my friends for asking a question on condom	I resort to pornographic website for info	I am hesitant to talk about sex to an adult	I feel nervous and helpless	Knowledge on sex education and condom use
I already use X method, why do I need to use condom?	My partner and I have occasionally experienced infections in reproductive area	Heavy medical bills	Partner and I do not like the barrier by condom, plus we are not likely to get pregnant	Frustration from medicines and delay in sex	Control over sexual activity; intimate hygiene maintainance
I belong to the LGBTQ+ community	I do not know which condom is best for me, I have no one to discuss this with	I cannot indulge in sexual activity stress-free	No prominent talk on LGBTQ+ sexual wellness in India	Feeling of helplessness	Confidence and knowledge on the subject to help my community members

Future State

Recommendation
Durex led campaign on encouraging parents to educate their children on safe sex
Durex should lead the campaign which talks about sexual wellness in adults above 35+ years of age
Durex should make inclusivity their objective while advertising the brand

Durex is INCLUSIVE, EDUCATIVE and sticks to being BOLD, OPEN, WITTY



Our Big Idea

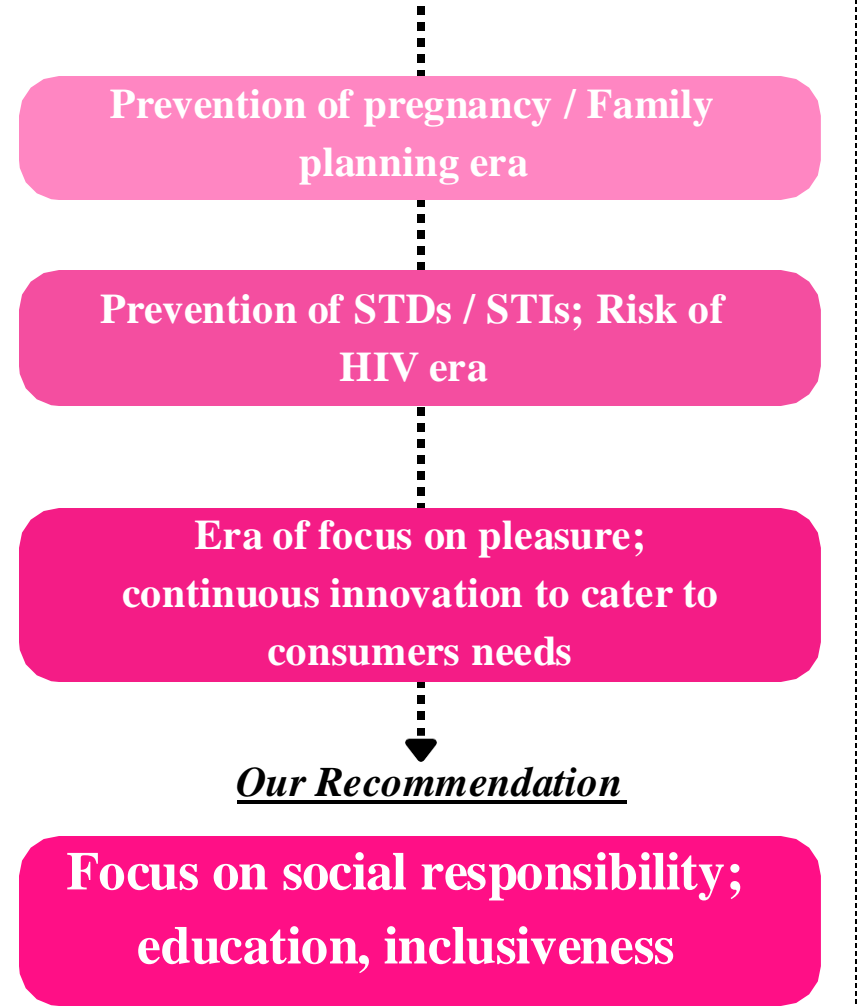


We will follow a 50-50 content framework

- 50% brand-related promotion through Inclusive - Durex for all
- 50% non-brand related sponsorships through Sex-education talks

Evolution of condom ads An Indian context

Evolution is based on socio-economic growth of nation



We believe that dislike of barriers is still a big concern in condom adoption, and that brands should focus a part of their campaign on pleasure. However, we also believe that for people to connect with the brand, its image as a socially responsible brand while still retaining its wittiness can be positive.

Marketing Campaign Idea

INCLUSIVE - DUREX FOR ALL

In line with Reckitt's Operating Model *BE BOLD AND OPEN*

	Advertisement	Portfolio	Channels
35+ year olds	<ul style="list-style-type: none">• Benefits of condoms beyond birth control• How it can reduce the feeling of irritation or infection after sex	<ul style="list-style-type: none">• Premium Base and Premium condoms• Lubricants - high problem after 35 years ~90% - <i>bundling with condom packets</i>	<ul style="list-style-type: none"> Influencer marketing - by relatable age group influencers like, couple travellers, etc. Brand awareness - use traditional ways to educate
LGBTQ+	<ul style="list-style-type: none">• Make an integral part of Durex product specific advertisements• Encourage talks on sexual health of this community	<ul style="list-style-type: none">• Premium Base and Premium condoms• Lubricants - as an experimental product	<ul style="list-style-type: none"> Influencer marketing - by LGBTQ+ influencers, couples Podcasts - edu-talks on sexual wellness Embedded marketing - product placement in OTT series or the likes of it
Equal Share	<ul style="list-style-type: none">• Experimenters and Hesitants fall here• Promote that it is equal responsibility by making women feel more comfortable while buying	<ul style="list-style-type: none">• All ranges• Lubricants - as an experimental product, increased pleasure	<ul style="list-style-type: none"> Influencer marketing - by travel bloggers, couples, etc. Podcasts - Talks on experience of condom purchase Embedded marketing - product placement in OTT series or the likes of it

Future scope - INTIMATE HYGIENE PRODUCTS

- STI rate can be reduced prominently by simple hygiene of intimate areas before and after sex
 - Explore possibilities to introduce sexual hygiene care products like intimate wash
- Position it as a product for usage mainly before and after sex for STI prevention**

SEX-EDUCATION TALKS

The Unaware Segment Non-brand related sponsorships

- Online content consumption of children has highly increased
- High-time for parents to take responsibility to educate children

'The Birds and Bees Talk' by Durex is talking about adolescent sex education but it is still a one-way interaction.

We aim at placing Durex as a pioneering brand that encourages parents and their children to talk about sex education without hesitation.

Would they rather accept that their children learn from wrong resources like porn sites and get affected mentally or they would like to create a safe space for their children's wellbeing?

- Influencer marketing -**
- by youth icons in sports who are parents
 - by mom influencers, local influencers

Encourage through exposure on traditional promotion channels

Establish as a pioneer brand that started sexual wellness talks where no one did

reckitt

Right to win



Industry first marketing initiatives

- teen focused awareness campaign
- Dedicated and relevant loyalty program

Distribution Channels

D2C Channel

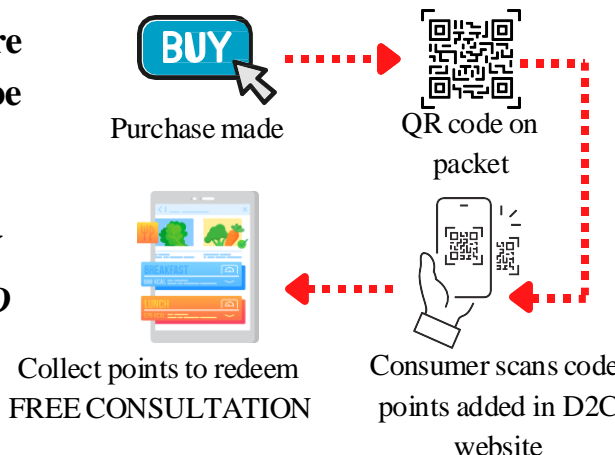
Loyalty Program

- Increases engagement
- Facilitates repurchase

A QR code will be present on premium range condoms and other Durex products

A loyalty program where collected points can be redeemed to get

FREE CONSULTATION WITH DUREX ASSURED SEXUAL WELLNESS DOCTORS




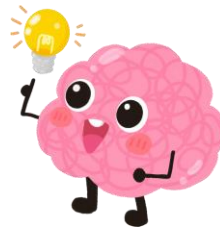


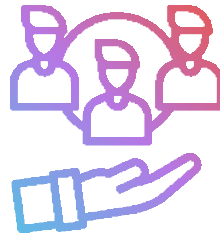
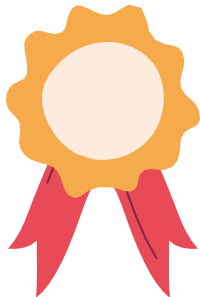
e-Commerce

- Data-driven marketing and analytics from inventory management on different e-commerce websites
- Get first-hand data on purchase patterns, frequency of purchase, customer reviews, ratings, complaints to boost

Traditional Retail channels

- Still accounts to 78% of condom trade
- Pricing barrier doesn't provide incentives to retailer to give prime locations in Point of Sale area
- However, an eye-level placement in stores suggested

Reckitt's RIGHT TO WIN



Customer Base

Future Base

Other products

Brand Recall

Market Share

What's in it for Reckitt?

Currently limited; extend to a significant base in the 35+ age category

Building positive connect with brand amongst teenagers and creating a future base

The targeted segment and message will focus on other products like lubricants, thus adding to revenue

From the suggested campaigns, instill talks amongst people and increase brand recall

Achieve target of increasing market share by differentiating based on brand perception

Internal Factors enabling Reckitt to win

Brand Perception

- Existing brand personality of Durex of being witty and premium connects well with the newer generation as well who will be future customers

Marketing Expertise

- Existing social media presence and engagement expertise; prominent than competitors
- Marketing and analytics expertise can be enhanced from D2C and other online channels

Distribution Network

- Reckitt's strength in its common distribution network which can allow Reckitt to market its condoms to different segment
- Existing D2C present good for older couples shy to go to chemist

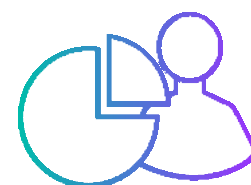
External Factors

INCLUSIVE | INNOVATIVE | RESPONSIBLE

- First to start an inclusive campaign for untapped segments in the market
- No one has catered to the 35+ year-old individuals and talked about sexual wellbeing even after sterilization

Market capture through marketing and distribution initiations is significant

Roadmap and Financials



Improved penetration in **women** and **LGBTQ+** community through suggested campaigns has increased adoption rate of condoms from 5.6% to 10% nationally

Size of the Prize: Market Volume and Value

Total population expected to use condom
and associated Durex products
18-55 years of age

1400
mn

Women	LGBTQ+	Men
41%	17%	42%
344.4 mn	142.8 mn	352.8 mn

840
mn

Adoption rate
8% 10% 11%
27.5mn 14.3mn 38.8mn

80.6
mn

Loyalty Program
Acceptance Rate
20% 20% 15%
5.5mn 2.9mn 5.8mn

14.19
mn

SOM @ 100%
Penetration



4939 mn
Revenue

Financial Projections

Particulars	2021	2023	2024	2025	Remarks
Total Addressable Market	₹ 16,000.00	₹ 17,640.00	₹ 18,522.00	₹ 19,448.10	Condom market growing at 5% per annum
Penetration	5.60%	6.50%	8.00%	10.00%	Projected penetration
Reckitt Market Share (by	13.80%	14.00%	17.00%	25.40%	
Total Revenue		₹ 2,469.60	₹ 3,148.74	₹ 4,939.20	Goal to be achieved
COGS (40% of revenue)		₹ -987.84	₹ -1,259.50	₹ -1,975.68	Industry standard
Advertising & Selling Expenses (Y-O-Y increase by		₹ -123.48	₹ -157.44	₹ -246.96	Two major campaigns; omnichannel
Distribution Expenses (25% of revenue)		₹ -617.40	₹ -787.19	₹ -1,234.80	Expenses majorly in D2C & Retail
Other Operating Expenses		₹ -246.96	₹ -314.87	₹ -493.92	Other Opex
Operation Profit/(Loss) (in USD mn)		₹ 370.44	₹ 472.31	₹ 755.70	>50 crores EBIT in next 3 years
Operating Profit/(Loss) (%)		14.55%	15.00%	15.30%	Average EBIT Margin is 15%

Financial KPIs



EBIT margins
~15%



NPV
INR 55.8 cr



Payaback Period
~ 2years



IRR
43%

Financials



Microsoft Excel
Worksheet

Assumptions:

Average intimacy rate considered is 70 times per year with average spent of INR 50

Thank You

