

# SAFFOLA NEXT STOP



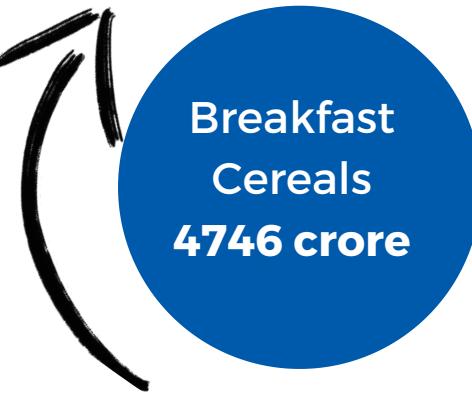
## Opportunity

Rising Health-conscious population +

## Capability

Leader in Value added Oats segment with ~94% market share

16% CAGR

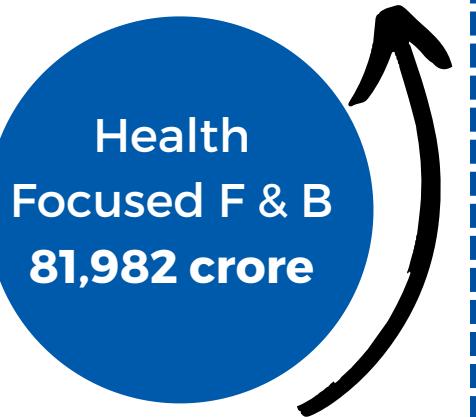


## MARKET EVALUATION

2x increase in Health F&B spending per capita by FY26

Health-conscious consumers in India increasing from 108 Mn in FY20 to 176 Mn in FY26

20% CAGR



## PRIMARY RESEARCH

- 92%
- 54%
- 61%
- 42%

want high nutritional value, good taste, and ease of cooking  
are willing to try new healthy products  
are willing to incorporate superfoods in their diet  
are willing to pay more for additional nutritional benefits

Need Additional nutritional benefits like High Protein, High Fibre Diet

## PAIN POINTS

Jitesh, Sportsman

Ease of cooking and instant serving

Arjun, Student

Need Healthy Snacking/ Breakfast options

Eshaani, Employed

Adithee, Housewife

Sayali, Activist

## TARGET GROUP: Tier-1 & 2 Cities, Disposable income > 6L

### TG1: Youngsters (Age: 16 to 25)



**Motivation**  
Taste along with Health

### Needs & Wants

" I would love food which can serve my **high Energy and protein needs**. I am willing to **explore new options** and pay high price if needed."

- Tapu, Student, 18

### TG2: Mid Age (Age: 26 to 50)



**Motivation**  
Easy to cook with high nutritional values

### Needs & Wants

" I am seeking to eat a **health focused food** which can serve my **high nutritional needs**. I am **willing to spend more** for this purpose."

- Jethalal, Businessman, 41

### TG3: Old Age (Age: 51+)



**Motivation**  
Easy to digest, Diabetic foods

### Needs & Wants

" I need **high fiber and low glycemic Index food** which is easy to digest. I'm diabetic and I would prefer food suited for **diabetes patients**."

- Champaklal, Retired, 69

## OUR BIG IDEA



### Whole source of protein

Oats lack lysine, Quinoa contains all 9 essential amino acids which would increase the bioavailability of protein



### High Fibre

The product will be **high in insoluble fiber** (through quinoa) and high in **soluble fiber** (through oats)



**High in Protein and Fiber**



**Complete Source of Protein**



### Good for Diabetic People

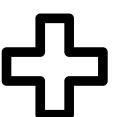
Glycemic Index (spike in blood sugar level after eating a food) is **lower** as compared to instant oats



### Overall Nutritional Value

12% higher protein, 9% higher fiber, 18% lesser fat, 24% higher copper and zinc and 11% higher potassium as compared to instant masala oats

**1 part of pre-cooked dehydrated quinoa**



**2 parts of instant masala oats**

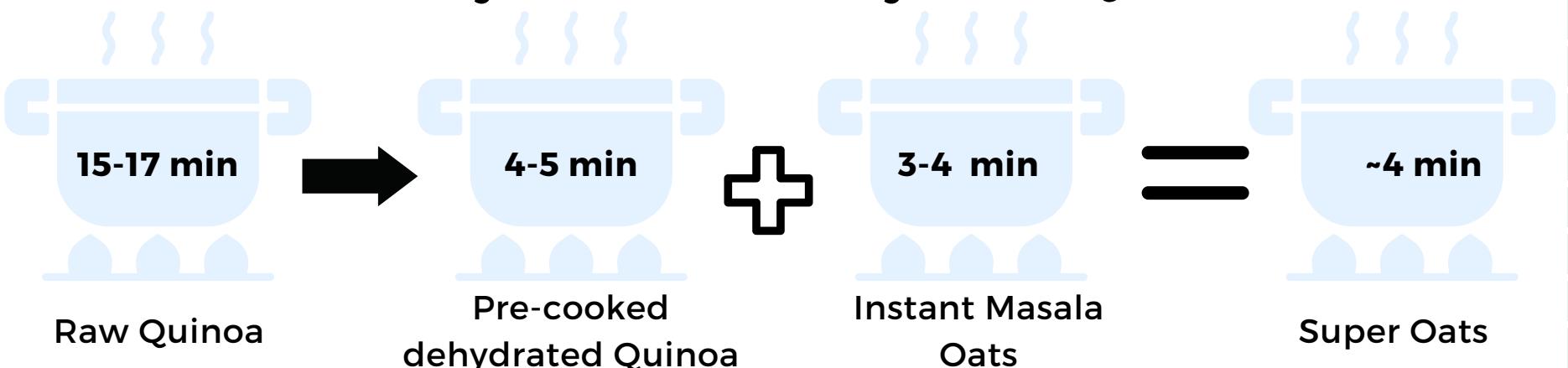


**Taste Combined with health**



**Ease of cooking, Instant Serving**

## Why Pre-cooked dehydrated Quinoa?



## Sourcing of Quinoa

Sourcing Quinoa from Rajasthan, as it is the largest producer of Quinoa in India. Production of Quinoa is higher than its demand, forcing farmers to sell at cheaper rates



Marico can procure quinoa from these farmers at MSP, enabling livelihood for these farmers



Quinoa is also produced in Andhra Pradesh, Telangana and Uttarakhand (alternate options)



## What's in it for Marico?



**Strengthening Saffola brand** by creating healthier ecosystem of products to gain consumer loyalty



**Scope of future product line expansion** in Oats related healthier alternatives



**A meaningful brand expansion** aligning with past successes in Oatmeal segment to strengthen leadership position



**Total Addressable market** will increase by 5800 Cr with even **higher growth potential**



Developed infrastructure and logistics enabling **lower Breakeven** for new product line expansions



Opportunity to **tap premium segment** customers enabling in gaining **higher profit margins**

## PRODUCT & PRICING

### 3 Yummy Flavours



Pavbhaji Flavour



Sambar Flavour



Chhole Bhature Flavour

Weight	Price	Size
35 g	Rs. 20	7.6*2.5*12.7 cm <sup>3</sup>
250 g	Rs. 115	17.8*12.7*3.8 cm <sup>3</sup>
500 g	Rs. 225	15*6*27 cm <sup>3</sup>
1000 g	Rs. 440	5.1*12.7*24.1 cm <sup>3</sup>

### Competitive Price Index (CPI in Rs. per g)

Super Oats

0.45

Yogabar

0.49

Fast & Up

0.95

True Elements

0.4

Masala Oats

0.35

## Porter's Five Forces Analysis



Competition  
(Low)



Threat of  
New  
Entrants  
(High)



Threat of  
Substitutes  
(Medium)



Threat of  
Buyers  
(Medium)



Power of  
Supplier  
(Low)

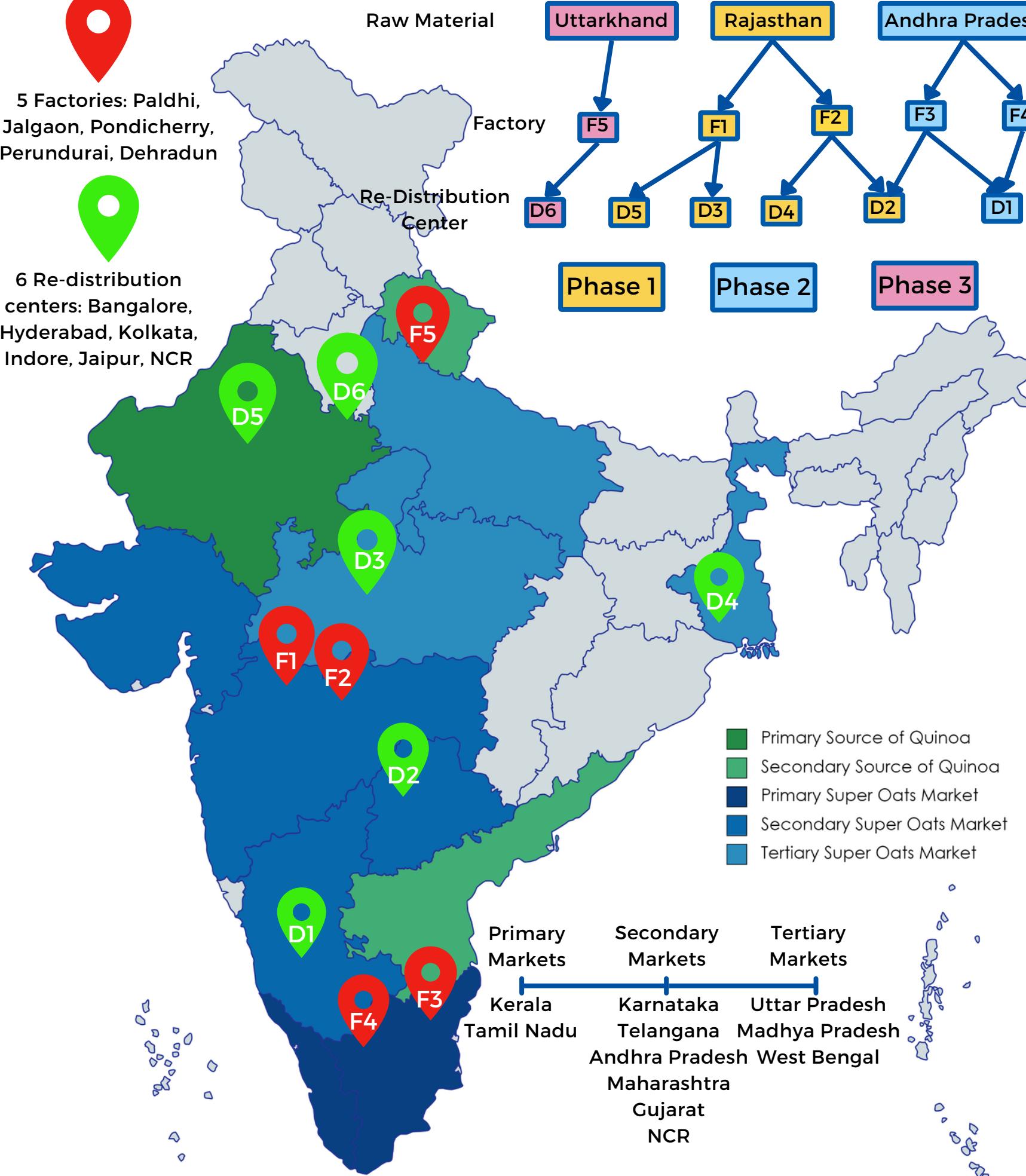
## PRODUCTION & DISTRIBUTION



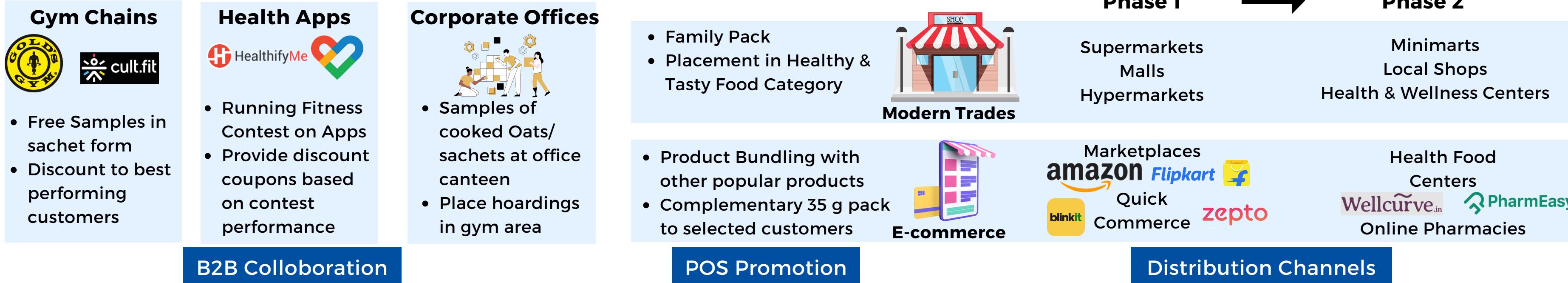
5 Factories: Paldi, Jalgaon, Pondicherry, Perundurai, Dehradun



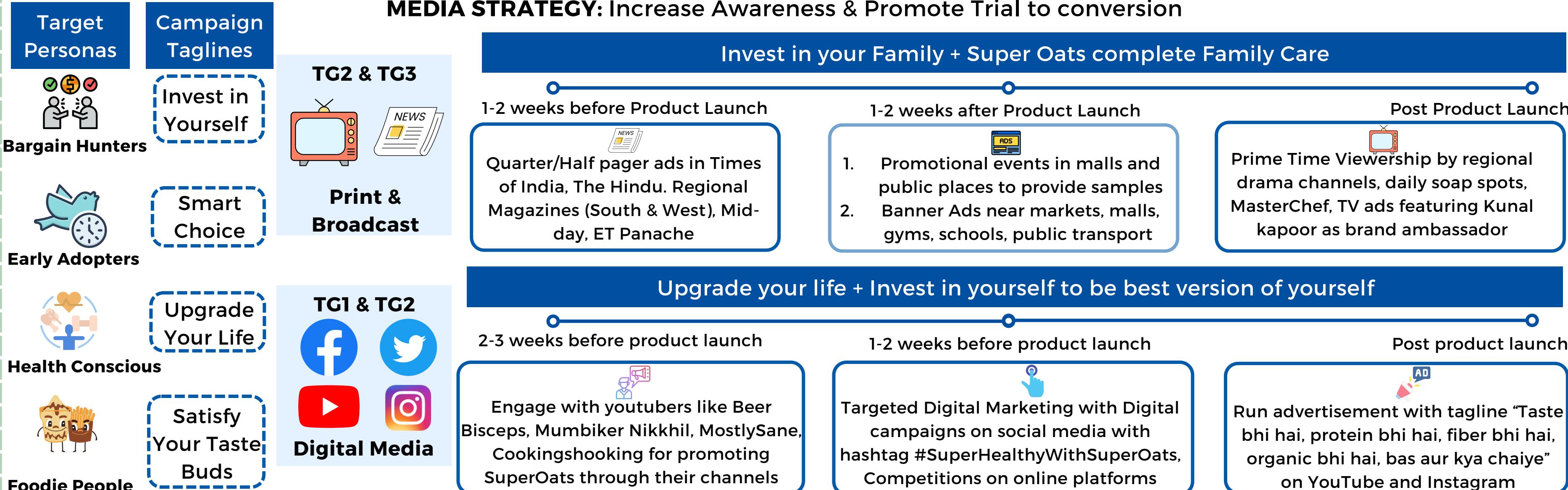
6 Re-distribution centers: Bangalore, Hyderabad, Kolkata, Indore, Jaipur, NCR



## RETAIL STRATEGY



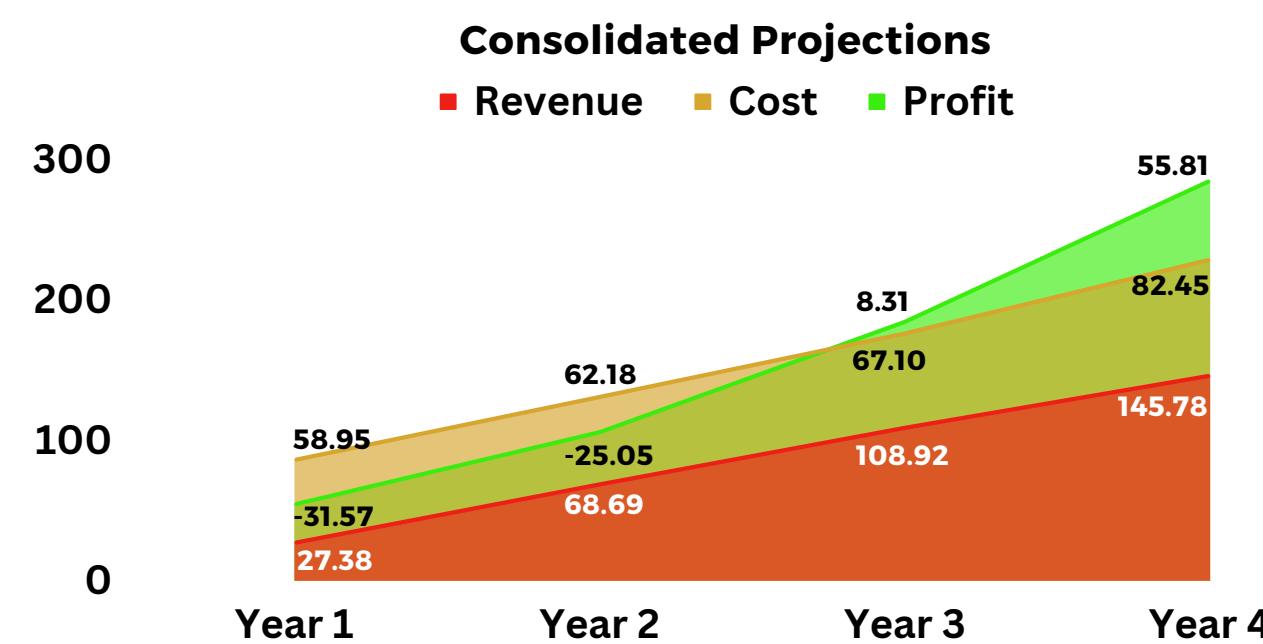
## MEDIA STRATEGY: Increase Awareness & Promote Trial to conversion



# Financial Analysis

Key Assumptions				
Assumptions	Year 1	Year 2	Year 3	Year 4
<b>Number of metro Cities</b>	10	14	18	20
Penetration	15%	16%	17%	18%
Middle and Upper Class	43%	43%	45%	45%
Health Conscious	50%	50%	55%	55%
<b>Number of Tier 1 Cities</b>	-	15	20	25
Penetration	-	13%	14%	15%
Middle and Upper Class	-	43%	43%	45%
Health Conscious	-	45%	45%	50%

Estimated Profit and Loss Statement (₹. Cr)				
Particulars	Year 1	Year 2	Year 3	Year 4
<b>Revenue from operations</b>	27.38	68.69	108.92	145.78
COGS	10.95	27.48	43.57	58.31
Employee Benefits and expense	5.00	5.50	6.05	6.66
Advertisement costs	20	15	10	10
Selling and Distribution	2	3.2	4.48	4.48
Capital Investments, Maintenance	20	10	2	2
Other	1	1	1	1
<b>Total Expense</b>	58.95	62.18	67.10	82.45
<b>Profit Before Tax</b>	-31.57	6.52	41.82	63.33
Tax	0	0	8.46	15.83
<b>Cummulative PBT</b>	-31.57	-25.05	8.31	55.81



## Key Insights

- Break-even is achieved in the 3rd year
- Heavy investments in Advertisements and sales  
Promotion is required in the 1st and 2nd year to achieve required market penetration
- It is Assumed that we are able to penetrate to 10% of the people who consume oats and who are health conscious and belong to middle or upper class

\* All figures in INR Cr

## Execution Plan

### Phase 1



Pilot in Mumbai, Ahmedabad and Chennai: Gain consumer Insights and plan launch accordingly

Push Distributors & Retailers to maintain availability and visibility at all touch points vis high margins and merchandising

### Phase 2



Start entering in Tier 1 and Tier 2 cities

- Use of SEO and targeted ads
- Social Media Selling through Influencers
- Gather and Use data from digital points

Nationwide awareness campaigns for stronger product & brand penetration

### Phase 3

Pan India Expansion by leveraging strong distribution network of Marico

Collaborate with UNICEF and local government to provide optimum nutrition for Quinoa Farmers