SCHOOL OF BUSINESS MANAGEMENT

Team Bingo

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Problem Statement

Missing

Water and carbonation based beverage in ITC's portfolio

Differentiated Play

In the Carbonated beverages industry to unlock the growth

Feasibility

Future of the sub-category and consumer acceptance

Marketing Mix

Of the sub-category based on actionable consumer insights

Our Approach

SECONDARY RESEARCH: Evaluated 8+2 categories on various parameters, focused on differentiation.

PRIMARY RESEARCH: Estimated consumer preference and demand for identified category

PRODUCT: Recommendation for product variants, value propositions, USP, ESP and packaging

PRICE: Pricing strategy for different SKUs based on competitive landscape

PLACE: Proposed strategy for different distribution channels and geographic regions

PROMOTION: Pre-launch buzz activities along with proposed campaign ideas for the main launch

FINANCIALS: Cost structure and Revenue projection

TIMELINE & MITIGATING RISKS: Proposed timeline for final launch, possible risks and ways to mitigate

CATEGORY	PROS	CONS
Energy Drinks	Established market, **potential for high margins** if positioned well	Contain high levels of **Sugar & Caffeine** which may raise health concerns.
Fortified Water	Appeal to health-conscious consumers; potential for **vitamin or mineral fortification**	Competition from **bottled water and vitamin-enhanced beverages**; may require substantial marketing efforts
Ginger Ale	Versatile mixer for cocktails; ginger's perceived **health benefits**	Niche market; strong competition from **well-established brands like Schweppes**
Masala Drinks	Strong **cultural resonance**, readily accepted. They are also perceived to have health benefits and can also be launched in **region specific variants**	**Flavor inconsistency**, limited shelf life, and ingredient costs can pose challenges
Goli Soda	Unique **traditional product**, potential for nostalgia-driven sales in certain regions	**Limited market reach** compared to other categories; may not be as popular among younger consumers
Sparkling Water	Growing **health-conscious** consumer base, perceived as a healthier drink	**Highly competitive market,** limited differentiation opportunities, competition from established brands like SodaStream
Mixers	High demand in the **hospitality sector; versatile** product for home use	**Occasional demand**; requires partnerships with bars and restaurants
Sports Drinks	Targetted at **fitness enthusiasts** and athletes; electrolyte replenishment	**Highly competitive market** dominated by brands like Gatorade; limited consumer base

OTHER CATEGORIES

We explored **two additional categories** other than the given ones and obtained below insights based on our Primary Research.

Cocktails / Flavoured Soft Drinks	Consumer preferences indicate they're more suited for **occasional consumption** rather than daily use. E.g. Bisleri's Pinacolada launch failed
Iced Tea	Booming category but requires **cultural shift** in consumers to consume tea in iced format. Cluttered market with players like Nestea, Lipton

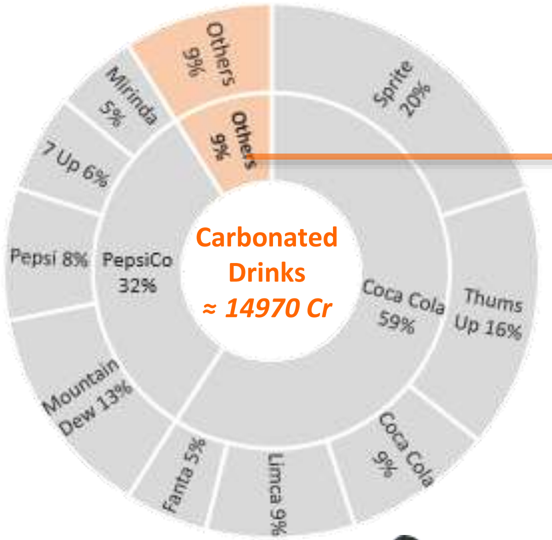
LEVERAGING ITC'S STRENGTHS FOR MASALA DRINKS

- **The 100% Indian fruit factor** of B Natural was very well accepted by consumers, the new sub-category would also be on similar lines
- **Expertise** in **agricultural business** with naturally sourced ingredients
- Strong & diverse distribution network to effectively cater urban and rural market
- 200+ state of the art manufacturing plants, spread across India

Current Market (Non-Alcoholic Beverages)

Non-Alcoholic — 43400 Cr, CAGR 11.5%

- Non-Carbonated Drinks — 28430 Cr, CAGR 13.0%
- **Carbonated Drinks** — 14970 Cr, CAGR 8.4%



Carbonated Drinks market other than Pepsi & Coke Dominance

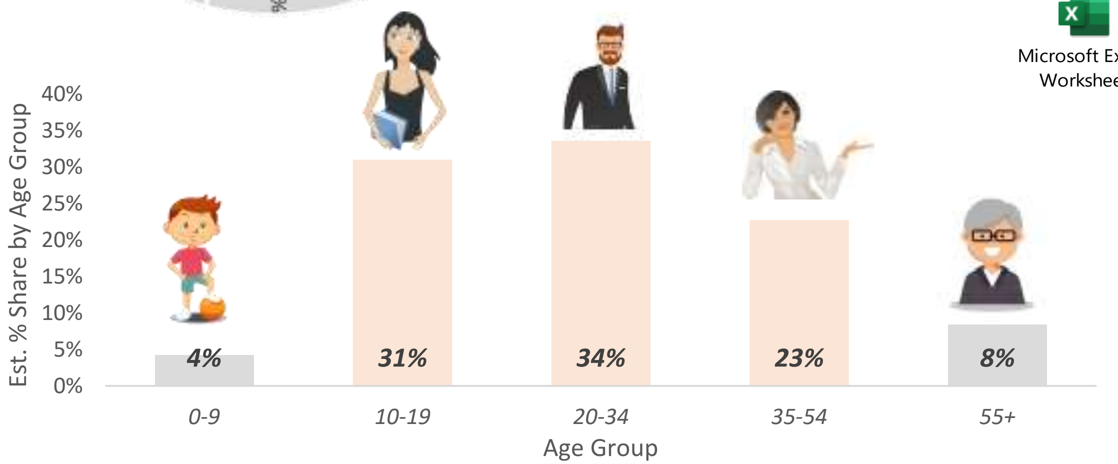
≈ ₹ 1347 Cr

Demand Estimate for Masala Drink Market

Total Est. Market (Volume) ≈ **16.4 Cr Litres**

Total Est. Market (Value) ≈ **₹1387 Cr**

Microsoft Excel Worksheet



Porter's Forces

		Low	Mid	High
Threat of New Entrants	• **High Cost of Entry** • High Capital Requirements • Health Regulatory Requirements – FSSAI • Securing shelf life in stores can be challenging	25%		
Bargaining Power of Suppliers	• Large number of suppliers across India • **Switching Cost is low** except for specialized Suppliers • Wide selection of affordable ingredients	15%		
Bargaining Power of Buyers	• Large retail chains constitute major sales • Secondary research indicates ≈ **15% decrease in demand for every 5% increase in price** • Low switching cost for buyers, but less options		10%	
Threat of Substitutes	• **Large companies** operating in the carbonated drinks category **can launch similar products** • Healthy drinks are increasingly becoming popular • Buyers are likely to switch to other alternatives			20%
Rivalry among Firms	• Emerging competition: Nascent market, new entrants • Innovation focus: Rivalry in flavor, packing, and marketing • Competition for shelf space • **TOMA is relatively low**		25%	
Complementary Products	• **Snacks with health benefits (low fat/high protein)** • Partnering with snack or dessert brands for cross-promotional campaigns can create synergy and drive sales for both products		5%	

*Percentages indicate the importance in terms of weightage

Source – Netscribes Inc. Report, for demand estimation please refer attached working sheet

Masala Drink-Overall an attractive category to foray into based on market size & porter's forces

PRIMARY RESEARCH FINDINGS

Age group	Forms	In-depth Interviews	Male	Female	Total
15-20	15	5	12	8	20
21-30	25	5	20	10	30
31-40	20	5	15	10	25
41-60	5	5	5	5	10

1. **65** Google form responses focused on **need arousal** and **taste preferences.**
2. **20** in-depth interviews (**40 mins each**) to identify sub-category and marketing mix

Cultural Heritage – 24%

- Consumers are increasingly interested in exploring and **celebrating** different **cultures across age groups**
- Products that authentically represent **Indian flavors and traditions**

Authentic & Transparent – 16%

- Consumers are increasingly **seeking transparency** in food and beverage products
- Highlighting the use of **genuine Indian flavors** can build trust with consumers

Perceived Refreshment – 61%

- **Fizziness** is often associated with a **refreshing sensation**
- Refreshment is a **multisensory experience** where taste, temperature, aroma, and appearance play a role

Need Arousal – 40%

- **Pairing** while eating something -
- **Socializing** with friends and family
- Avoid motion sickness while **travelling**
- Perception for **better digestion**
- **Thirst Quencher** during **summers**

Better Alternatives – 55%

- Soft drinks like Coke and Pepsi are preferred, but they are not the **best options**
- Tried other alternatives but they lack **appeal** as well as **availability**

Curiosity to Explore – 36%

- Consumers, especially younger generations, are **adventurous** and open to trying new and **exotic flavors**
- Offering a masala-infused soda drink can provide a sense of **novelty**

Tasty but not Unhealthy – 82%

- Consumers are increasingly health conscious and seek products that are **free from artificial additives**
- At the same time they want something that can satisfy their **taste buds**

Sourcing & Sustainability – 24%

- Consumers are becoming aware of the carbon footprint associated with food and beverages
- They are looking for drinks that are **free from artificial additives** and made with **eco-friendly practices**

CONSUMER PROFILING BASED ON PRIMARY RESEARCH

Informed Youth

- **15-20 age group**; Highly social, make **informed decisions** even in low involvement products
- Can **influence** others through reviews and recommendations

Independent Adults

- **22-30 age group**; Aspirational & heavily influenced by social media
- Moving towards a healthy lifestyle, trends like **low-sugar or no-sugar**
- **Dependence** on hyper-delivery apps

Middle Class Family

- **Price Conscious**; Apprehensive about soft drinks
- Looking for **better alternatives** with **regional** and **healthy ingredients**

Skeptical Grandparents

- High disposable income and **trust & innate biases**
- **Willing to purchase** carbonated beverages but concerned about **harmful effects**

ACTIONABLE INSIGHTS BASED ON CONSUMER BUYING JOURNEY

1 Awareness

Awareness is fostered through relatable **pre-launch buzz**, product visibility on store shelves, and **influencer partnerships** for enhanced trust and engagement

2 Consideration

Consideration revolves around flavor profiles, the desire for both taste and healthiness, and alignment with **personal values and lifestyle**

3 Purchase

Prioritize minimalistic, bright packaging for a fresh, simple, and nostalgic appeal, ensuring strong brand resonance from earlier stages

4 Experience

Looking for a refreshing experience without feeling the guilt of unhealthy indulgence

5 Post Purchase

Post-purchase, customers experience no guilt (common in soft drinks), find refreshment, and may become brand advocates when recalling positive interactions

The percentages are based on the responses received in Google Form and Insights obtained during In-Depth Interviews

PRODUCT

Sprinkl

Nostalgia in every sip

Sprinkl - A masala drink available in mouth-watering regional flavors

A perfect blend of health and taste. Gives one **'Nostalgia in every Sip'**

PACKAGING

Recycled Plastic Bottles

Our bottles are crafted from recycled plastic to resemble traditional glass cola bottles, including similar caps

Nostalgic Design

The design brings nostalgia, reminiscent of regional glass bottle from the past

Minimalist Design

The bottles feature a minimalist design, appealing to young adults and promoting product reusability

Sustainable Option

Our bottles promote sustainability in daily use, reducing environmental impact

VALUE PROPOSITON

Authentic Regional Flavours

Embark on a flavorful journey with Sprinkl as we whisk you away to the heart of Konkan, the bustling streets of Mumbai, the serene South, and the vibrant markets of Delhi. Taste the true essence of India in every sip

Versatile Enjoyment

Whether you're sipping Sprinkl at a family gathering, quenching your thirst on a scorching summer day, or pairing it with your favorite snacks, our carbonated masala drinks are the perfect companion for any occasion

Healthier Indulgence

Our carbonated masala drinks are made with natural ingredients and no artificial colors. Plus, they are enriched with the goodness of regional spices and herbs that have been celebrated for their health benefits for centuries

Meticulous Craftsmanship

Each bottle of Sprinkl is meticulously prepared with the finest ingredients, ensuring the perfect balance of flavors, fizz, and spices. Our commitment to quality delivers a consistently delightful taste every time

Unique Selling Proposition

Delivering Refreshment Rooted in Tradition

The brand is deeply rooted in tradition, offering an authentic and timeless taste experience

Exploring Regional Taste Diversity

Showcasing unique yet familiar flavours like Kokum, Shikanji, Kaala Khatta, and Coconut, celebrating India's regional diversity

Emotional Selling Point

Cultural Heritage and Authenticity

The cultural heritage and authenticity of traditional recipes promise India's rich traditions in every sip

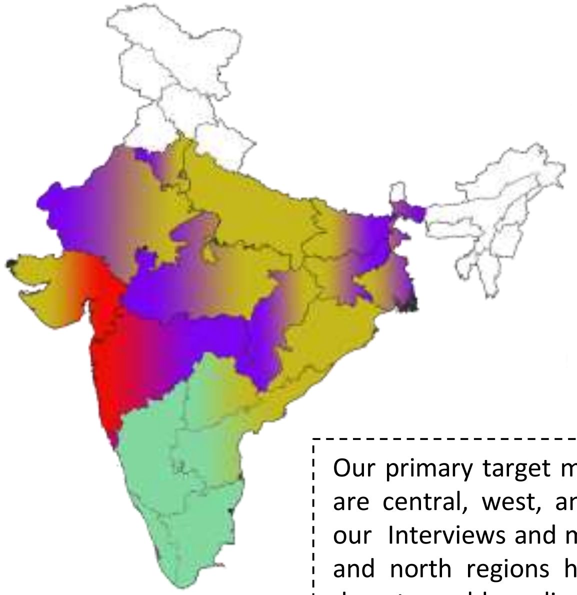
Unique Flavour Exploration

This ESP promises a unique flavor journey, encompassing India's diverse culture in each bubble

Tradition & Innovation

The drinks blend tradition and innovation with time-honored recipes for a contemporary beverage adventure

FLAVOURS



Coconut Chiller | *Kala Khatta Crush* | *Nimbu Shikanji* | *Kokam Delight*

- *Coconut Chiller*
- *Nimbu Shikanji*
- *Kala Khatta Crush*
- *Kokam Delight*

Our primary target markets for Masala Drinks are central, west, and south India based on our Interviews and market research. The east and north regions have shown less interest due to colder climates, so we're initially focusing on areas with higher market potential. Future expansion may include tailored products for these regions

Each of the flavours are chosen to primarily cater to regional preferences while also providing other options

PRICE

- Demand Based
- **Competition Based** →
- Premium Pricing

Rationale

- The product is new and the market is **underpenetrated** to a certain extent but consumers over a period have developed a habit to pay ₹ 20 for 200 ml and 600 ml for ₹ 40 and so on
- This is mainly because of the **domination of Coke and Pepsi and also the denomination factor** coming into the picture. In our In-depth interviews, we asked consumers whether they were willing to pay less or more for a 200 ml bottle but **80% of them said no**
- Rather than going for any differentiated pricing we will launch Sprinkl in **a competitor based pricing model which will be dynamic in nature**

PRICE MIX

Pack Size	MRP (₹)
200 mL	20
600 mL	40
1 Litre	60
2 Litres	90

4 SKU's per flavor
*Total 4*4- 16 SKUs*

Free Sampling

- In a country where every rupee counts, the allure of free sampling is an **irresistible treasure**. Sprinkl understands the discerning Indian consumer, always on the lookout for **value and eager to explore** new tastes without breaking the bank

SOURCING

Ethical sourcing from Indian farmers

- Sprinkl will source ingredients from local farmers who have tilled the land for generations. It's more than just business; it's a **partnership built on trust, respect, and shared values**
- Our commitment to ethical sourcing ensures that these hardworking farmers receive fair compensation for their labor and dedication
- By sourcing ingredients locally, we not only promote ethical practices but also preserve the **authenticity of India's diverse flavors**

PLACE

Distribution Channels

Traditional Channels

1. Ensure availability in diverse retail outlets like supermarkets, convenience stores, hypermarkets, and local grocery stores for **widespread** access

2. **Attractive in-store displays** and promotions for visibility

3. Leverage **ITC's existing distribution network**

Partnerships

1. Collaborations with businesses such as airlines(In-flight meal) and fast-food chains will enable us to expand our market reach beyond retail

2. Co-branded promotions enhance brand visibility

3. Stringent quality control for partner satisfaction

E-Commerce

1. Availability on all the major e-commerce platforms

2. Digital marketing and targeted advertising efforts will drive online visibility and attract consumers to our Masala Drinks

3. Integration with hyper-local delivery platforms will enable us to offer quick, doorstep delivery

Key Accounts

The **Point of Sales material** would be different for Key accounts and **critical retail stores** from the normal retailers **to boost penetration** across regions

Price Premium

The partnership will help ITC to charge a premium for the masala drink. Also, this will open up new avenues for **customer acquisition** over and above the traditional channel

Bundling

Sprinkl can be bundled with **frequently bought munchies** and beverages. Bundling will ensure an increase in **awareness** as well as **penetration** at the initial stage of the product launch

Company logos shown are only for example purposes

Pre Launch

Out of Home Advertising

Hoardings Campaign

- The campaign theme is "**Nostalgia in Every Sip**" celebrating regional flavors with a touch of nostalgia
- Hoardings will feature a **vintage-style TV display** with the Sprinkl logo and a refreshing glass of the drink along with **sourcing from – 'Region Name'**

Bus Shelters

- Bus shelters will display captivating visuals highlighting **regional spices and ingredients**, providing an engaging and informative experience for commuters
- The **central part of the shelter** would be covered by the theme 'Nostalgia in every Sip'

Location Planning

Tier 1 Cities

- **Delhi**-NCR-Connaught Place entrances, Nehru Place IT Hub
- **Mumbai**-BKC, Andheri Link Road
- **Bangalore**-MG Road, Brigade Road
- **Kolkata**-Park Street, Esplanade, and Salt Lake City
- **Chennai**-Mount Road & Nungambakkam

Location Planning

Tier 2 Cities

Jaipur- MI Road, Raja Park, and JLN Marg
Lucknow-Hazratganj, Gomti Nagar, and Charbagh
Coimbatore-RS Puram, and Avinashi Road
Bhubaneswar-Master Canteen, KIIT Square, and Patia
Indore -MG Road, Vijay Nagar, and Palasia

Rationale

Hoardings would be more effective in Tier 1 cities at **strategic locations. T**his is based on our primary research where **60% of people** from Tier 1 cities selected hoardings as the preferred medium of awareness for new products & **nostalgic theme** of the hoarding will make viewers curious about the drink.

Rationale

Bus shelters offer a unique advantage in tier 2 cities as it is the most popular **mode of transport** among the lower middle class. Also, the recent **penetration of many advertising agencies** in tier 2 cities offers a great opportunity for an innovative execution of the campaign.

Influencer Collaboration

Ranveer Allahabadia
2.7 M Followers
6 M Subscribers
Lifestyle & Motivation

Teaser Phase

- **Influencer Teasers:** Each of the chosen influencers will post a series of **teaser videos** on their respective social media platforms, creating **curiosity** about the upcoming masala drink. They can hint at its regional origins and the spice blend **without revealing details**
- **Mystery Masala drink Box Giveaway:** Collaborate with the influencers to host a giveaway where participants have a chance to win a "Mystery Masala drink Box" containing a selection of authentic spices from the drink's region of origin. Participants must follow **Sprinkl brand's social media handle**, like the influencers' posts, and share their excitement using **#Nostalgiaineverysip** hashtag

Exploration Phase

- **Spice Journey Webisodes:** Partner with the influencers to create a series of YouTube videos that delve into the **journey of sourcing and blending the authentic spices used in Sprinkl masala drink**
- **Interactive Social Challenges:** Encourage followers to participate in spice-related challenges inspired by the videos. For example, they can share their own spice market experiences, spice blending attempts, or favorite spice-infused recipes. Offer prizes for the most **creative** and **engaging** entries

Fittuber
295k Followers
7.3 M Subscribers
Fitness & Wellness

Mumbiker Nikhil
1.4 M Followers
4 M Subscribers
Lifestyle & Travel

Rationale

In primary research, we found that the trust & engagement for influencers is higher than celebrities, a pre-launch campaign with influencers will increase the hype for the drink

Launch

Grand Virtual Launch Event: Host a grand virtual launch event featuring all three influencers. This event should include the official unveiling **Sprinkl** masala drink and a deep dive into its regional flavors. Incorporating regional live bands can increase engagement

City wise location planning is based on Secondary Research

Influencers are chosen based on Primary Insights and current popularity. These collaborations would target younger age group

Post Launch

Point of Sales Material

Shelf Talkers

Counter Displays

Floor Stands

Retail POS Importance

- **Mass market purchase** decisions are made in **retail stores**, Retail POS is low-cost and highly effective, especially in the beverages industry
- Customers tend to make **impulse purchases** when they visit retail stores so the importance increases manyfold
- The different colors of Sprinkl can also be utilized to make POSM more **engaging and innovative**

T.V. Commercial

Brand Ambassador

GOVINDA

Rationale

The **Retro theme** of Sprinkl + the **authentic masala** flavors **resonate** with Govinda. Moreover, the idea of TVC is to gain the attention of TG in the **elder age** bracket of **35+**

Script of TVC

- Cut to Govinda, in his signature dance style, amidst the market chaos
- Introducing Sprinkl Masala Drink! **Four flavors, one masala sensation**
- It's not just a drink; **it's nostalgia in every sip**, bringing back the **memories of our roots**!

SPRINKLRS - Community Engagement

The Big Idea

- A QR code will be present on each of the bottles. Once the consumer scans the code he/she gets a point and is added to that particular **bottle color's community** for example by scanning the Nimbu Shikanji bottle the consumer will be added to the **SPRINKLRS- White club** and so on for other colors
- Once a consumer scans a certain number of bottles he/she added to the community page of **SPRINKLRS**, the motive is to build a new use-case of community engagement in addition to the functional benefits of the drink

Advantages

Masala drink is not as **frequently consumed** as soft drinks, so community engagement can increase consumption as **rewards can be linked on a weekly/monthly basis** making it a differentiating factor

Cross- Selling

Community-driven engagement offers an opportunity to cross-sell other **ITC products in the food and beverage portfolio**, and if the idea is well received by consumers then this can help create an economic **moat** in the **low-involvement product industry** for ITC

SPRINKLRS - Sustainability Challenge

The Big Idea

The **economic cost** of making a bottle 100% eco-friendly is not really possible as it will increase the total cost. India is **price-sensitive** in this category, but different **use cases** can be built for these bottles so that they can used after consumption. **Décor** is one such category that can be leveraged along with a **user-generated campaign** driving the focus towards **sustainability** which is the ethos of ITC

- Bottle Art Competition
- Bottle Collection Stories
- DIY Bottle Crafts
- Bottle Photography Challenge

Sample entries on social media handles of Sprinkl

The **entries** submitted by users on social media with **hashtags associated with Sprinkl** will promote the drink as well as different use cases for the bottle. Eventually, high engagement will convert consumers into promoters.

TVC will be broadcasted on channels wherein the Target Audience would be in the Age group of 35+

ONLINE MARKETING

Social Media Engagement

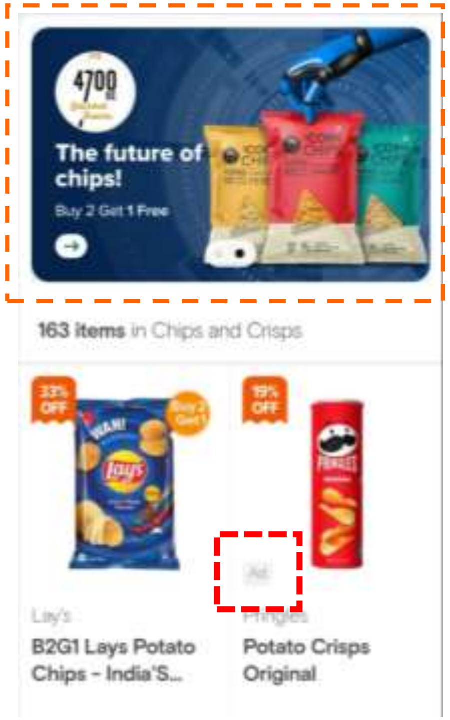
B-Natural Analysis

Content related to nature, reality, and the creative process receives ≈250 times more interactions than content focused solely on product and pricing

User Generated Content

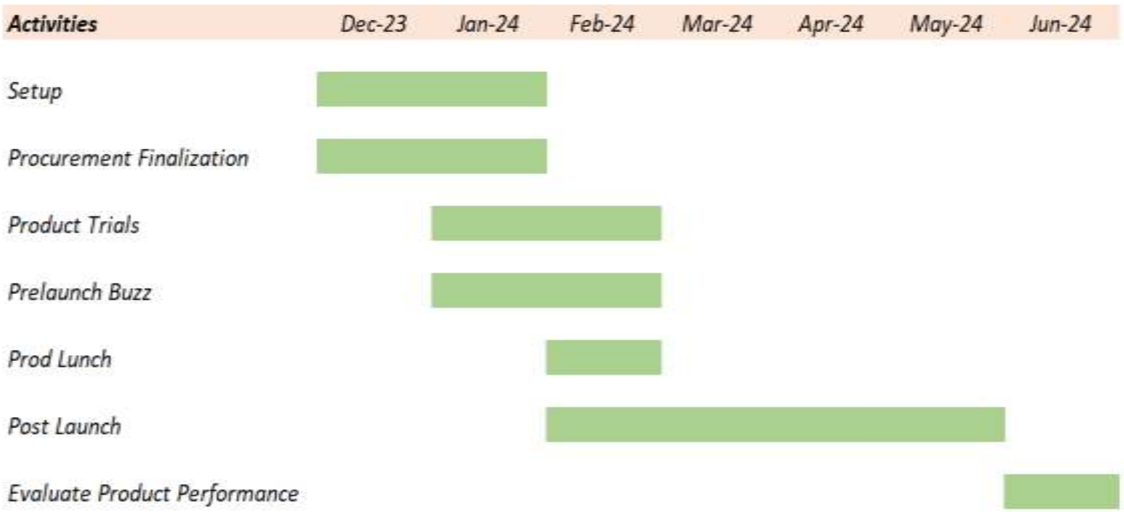
Users visit different places and post photos tagging ITC's "Sprinkl" that reminds them of our flavours, increasing organic traffic and engagement with more relatable content

E-Commerce Platform



- **Enhanced Visibility:** Initially, masala soda ads can be positioned at the top to increase the rate of purchases
- **Brand Awareness:** We can also promote our brand 'Sprinkl' on popular e-commerce platforms
- **Product Ratings:** The Product showing on the top would also mean more ratings which in turn would drive more people to choose our product

PROJECT TIMELINE



PROPOSED STEPS

Secure suppliers, materials, and production agreements

Conduct quality tests and 'Product Tasting' events

Conduct Pre-Launch buzz activities in public places and via social media campaigns

Launch the Product at the beginning of Summer Season

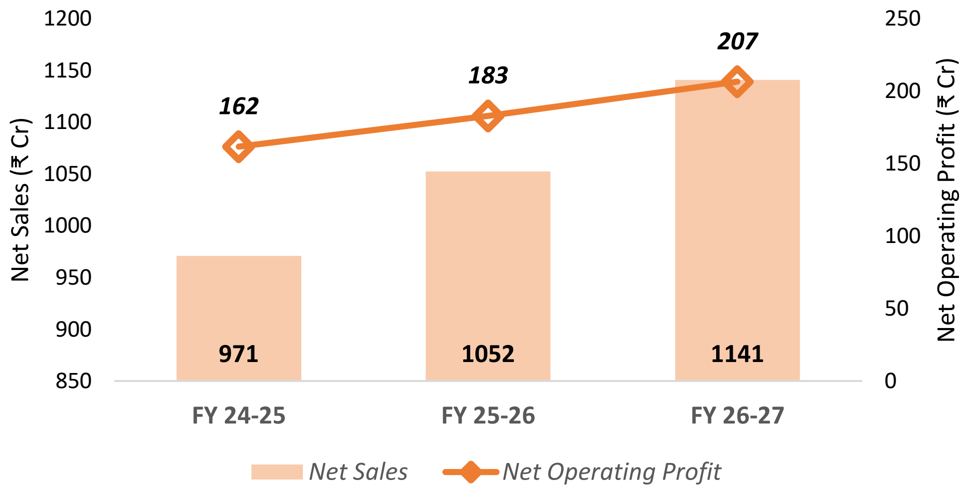
Run user-generated campaigns focused on sustainability, digital marketing campaigns, and community-based engagement

The launch of Sprinkl may enhance ITC's digital outreach

FINANCIALS

Consolidated Income Statement

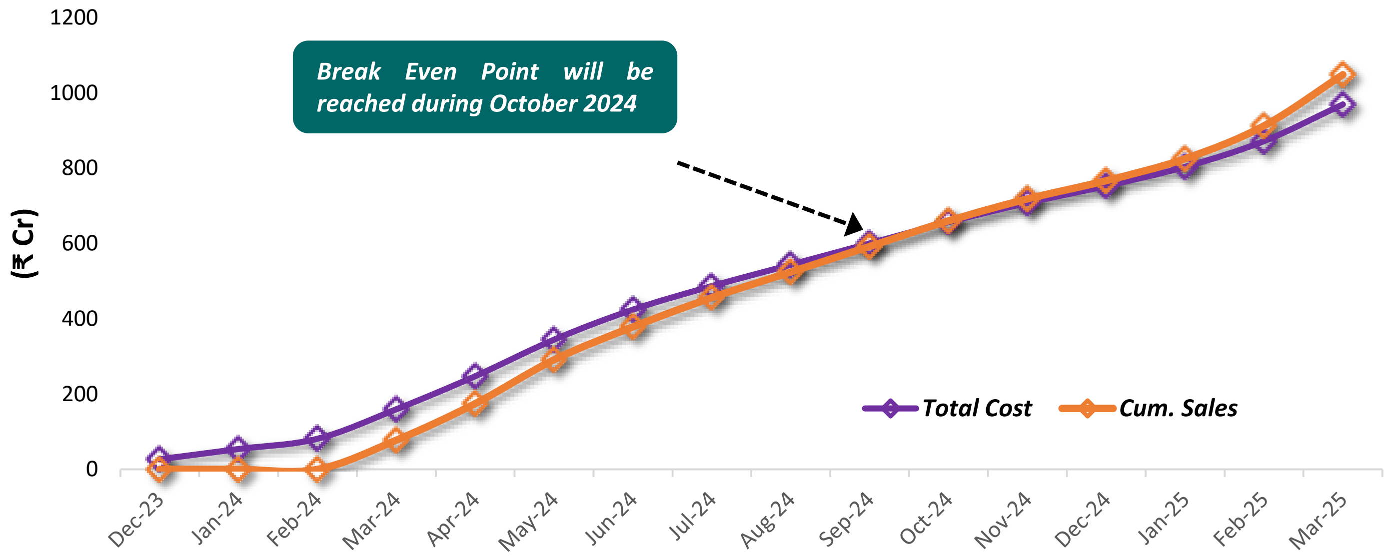
	Amount (in ₹ Cr)		
	FY 24-25	*FY 25-26*	*FY 26-27*
Sales/Revenue	**970.9**	**1052.5**	**1140.9**
Sales Growth (CAGR)	8.4%	8.4%	8.4%
Cost of Goods Sold (60%)	582.5	631.5	684.5
Gross Profit	388.4	421.0	456.3
SG&A Expenses	226.6	237.9	249.8
Traditional Media (TVC)	*80.8*	*84.8*	*89.0*
Outdoor Media Campaign	*71.6*	*75.2*	*78.9*
Print Media	*31.8*	*33.4*	*35.1*
Other Expenses	*19.4*	*20.4*	*21.4*
Influencer Partnerships x3	*11.0*	*11.6*	*12.1*
Digital Marketing Campaigns	*4.0*	*4.2*	*4.4*
Point of Sales Costs	*3.0*	*3.2*	*3.3*
Celebrity Partnership - Govinda	*3.0*	*3.2*	*3.3*
Campaign Costs	*2.0*	*2.1*	*2.2*
Net Operating Profit	**161.8**	**183.1**	**206.5**



Break Even Analysis

**Note - Please refer attached file for Financials*

Financials



Variable Cost

Traditional Media (35.6%)

Expense incurred while advertising through Traditional Media Channels

Outdoor Media (31.6%)

Expense incurred while advertising through Billboards & Bus-stands

Print Media (14.0%)

Expense incurred while advertising through Newspapers, Pamphlets & Flyers

Total Other Expenses (18.7%)

Other Expenses – 8.6%
Influencer Partnerships – 4.9%
Digital Marketing – 1.8%
Point of Sales Costs – 1.3%
Celebrity Partnerships – 1.3%
Campaign Costs – 0.9%

Kindly refer attached sheet for detailed calculations

Risk Handling Process

STEP 1 *Identify all events in which risks are possible*

STEP 2 *Risk assessments based on source, process & controls*

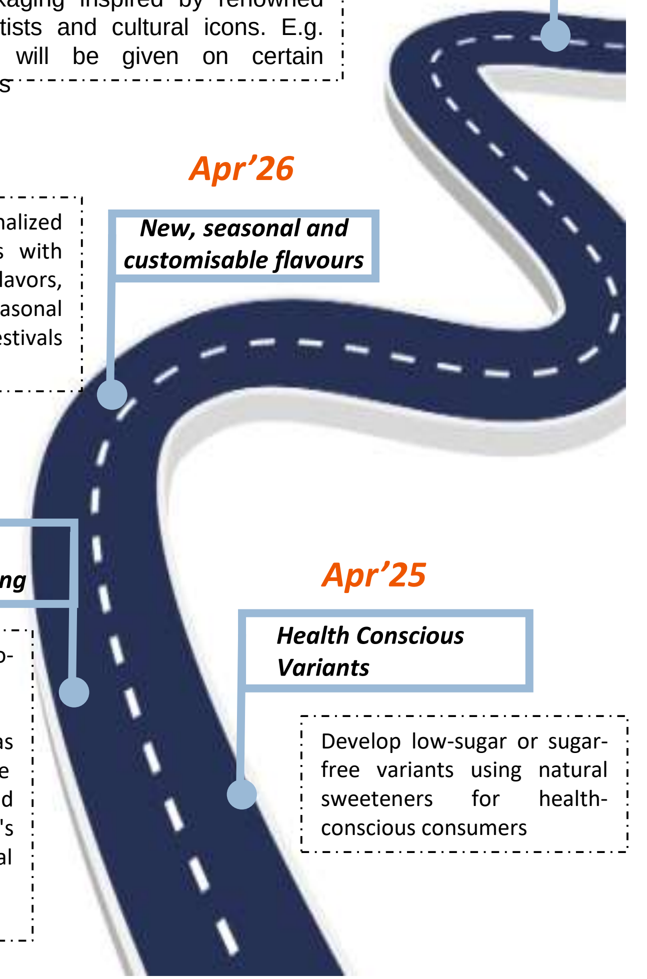
STEP 3 *Prioritized risk mitigation strategy formulation*

STEP 4 *Implementing strategy and monitoring progress*

RISK	MITIGATION
Consumer Awareness	*Extensive **marketing** and **sampling campaigns** to educate and create awareness*
Regional Competition and Fragmentation	*Establish a strong regional presence by focusing on **local flavors**. Develop regional marketing strategies by leveraging **distribution** network*
Supply Chain Integration	*Develop an integrated supply chain network that includes **local sourcing of spices** and ingredients to reduce costs and ensure a steady supply*
Potential Product Replication	*Create flavours which are difficult to replicate. Secure **Intellectual Property Rights (IPR)** for proprietary recipes*
Shelf Space Rejection	*Leverage ITC's distribution network and push the product via **brick-and-mortar** channels*

RISK	MITIGATION
Inconsistent Flavour Quality	*Implement stringent **quality control**, conduct **regular product testing** for consistency*
Scalability Across Regions	*Develop **region-specific production and scaling plans** that align with unique demand patterns and preferences. E.g. Kokam (Maharashtra) Shikanji (North)*
Counterfeit Products	*Implement robust anti-counterfeiting measures, including **unique packaging, holograms, and QR code verification**, to protect the authenticity of products*
Seasonal Variations	*Invest in techniques to **extend the shelf life** of ingredients. Plan production schedules to align with **peak ingredient availability***
Procurement Shortage	*Maintain **diversified supplier relationships across regions** to ensure a steady and reliable ingredient supply chain*

Future Roadmap



Apr'25 — ***Health Conscious Variants***

Develop low-sugar or sugar-free variants using natural sweeteners for health-conscious consumers

Dec'25 — ***100% Eco-Friendly Packing***

Choose eco-friendly packaging, such as biodegradable bottles, and showcase ITC's environmental commitment on labels

Apr'26 — ***New, seasonal and customisable flavours***

Offer personalized drink options with regional flavors, including seasonal choices for festivals and seasons

Jan'27 — ***Collector Series***

Introduce limited-edition regional flavors with packaging inspired by renowned Indian artists and cultural icons. E.g. Rewards will be given on certain collections

Appendix

Demand Estimate

Demand Estimate

India Population (Crores)	143

Pop % by Income	5%	22%	33%	40%	
Age Group	*High*	*Upper Mid*	*Low Mid*	*Low*	*Pop % by age*
0-9	1.3	5.8	8.7	10.5	18%
10-19	1.4	6.2	9.2	11.2	20%
20-34	1.8	8.1	12.1	14.7	26%
35-54	1.6	7.1	10.6	12.9	23%
55+	1.0	4.3	6.5	7.9	14%

Estimated Consumption (assuming all 200 mL packs -> to get volume)				
Demographics	**Monthly Frequency**			
Split by Age	High	Upper Mid	Low Mid	Low
0-9	0	0.25	0.5	0
10-19	0.25	2	2	1
20-34	0.5	1.5	1.5	1
35-54	0.25	1	1	1
55+	0	1	0.5	0.5

		Yearly Demand	***12***	***Penetration Rate***	***5%***	
Yearly Volume (200 mL)			0.6			
Age Group	High	Upper Mid	Low Mid	Low	Quantity (Cr Packs)	Share% by Age
0-9	0	1	3	0	*3.5*	4%
10-19	0	7	11	7	*25.4*	31%
20-34	1	7	11	9	*27.5*	34%
35-54	0	4	6	8	*18.6*	23%
55+	0	3	2	2	*6.9*	8%
Total Volume	*1*	*22*	*33*	*26*	***82.0***	
				Vol. per pack (L)	0.2	
Estimated Market Size Volume(Cr L)		**16.4**		**Total Volume (Cr L)**	**16.4**	

Pack Size (mL)	Est % Share	Est. Qty (packs/bottles)	Price per Pack	Est. Market Size (Cr ₹)
200	60%	49.19	20	984
600	20%	5.47	40	219
1000	15%	2.46	60	148
2000	5%	0.41	90	37
	Total	**57.52**		**1387**

Appendix

Income Statement

	Consolidated Income Statement				Comment		
		Amount (in ₹ Cr)			Please refer expense sheet for calculations breakdown		
		FY 24-25	FY 25-26	FY 26-27	**Estimated Market Size (in ₹ Cr)**	**1387**	*<- From Market Sizing Guesstimate*
A	**Sales/Revenue**	**970.9**	**1052.5**	**1140.9**	**Est. Market Share (70%)**	**970.9**	*<- As the market is structured and relatively new, we can assume 70% as Market Share*
B	Sales Growth (CAGR)	8.4%	8.4%	8.4%	*Carbonated Drinks CAGR (Netscribes Report May 2023)*		
C=60%*A	**Cost of Goods Sold (60%)**	582.5	631.5	684.5	***Assumption -*** *60% as the average since the industry COGS is anywhere between 40%-60%, reason being it's a new product and procurement cost would*		
D=A-C	Gross Profit	388.4	421.0	456.3	*not be optimized in the 1st year (1st year 60%, 55% second year, 50% third year onwards)*		
E	SG&A Expenses	226.6	237.9	249.8	*Assuming 5% increase in SG&A expenses, we calculate for 2025 & 2026*		
	Digital Marketing Campaigns	*4.0*	*4.2*	*4.4*	*Assuming based on Industry Average*		
	Point of Sales Costs	*3.0*	*3.2*	*3.3*	*Assuming based on Industry Average*		
	Campaign Costs	*2.0*	*2.1*	*2.2*	*Assuming based on Industry Average*		
	Traditional Media (TVC)	*80.8*	*84.8*	*89.0*	*Calculation based on data from themediaant.com*		
	Celebrity Partnership - Govinda	*3.0*	*3.2*	*3.3*	*Assuming based on Industry Average*		
	Influencer Partnerships x3	*11.0*	*11.6*	*12.1*	*Calculation based on data from Shopify.com* Link		
	Outdoor Media Campaign	*71.6*	*75.2*	*78.9*	*Calculation based on data from themediaant.com* Link		
	Print Media	*31.8*	*33.4*	*35.1*	*Calculation based on data from themediaant.com*		
	Other Expenses	*19.4*	*20.4*	*21.4*	*We account 2% of Sales for any other kind of miscellenaous expenses*		
D-E	**Net Operating Profit**	**161.8**	**183.1**	**206.5**			

Please refer 'Expense Calculations' Sheet for breakdown

Assumptions:
1. Assuming 60% as the average since the industry COGS is anywhere between 40%-60%, reason being it's a new product and procurement cost would not be optimized in the 1st year (1st year 60%, 55% second year, 50% third year onwards)

Appendix

Break Even Analysis

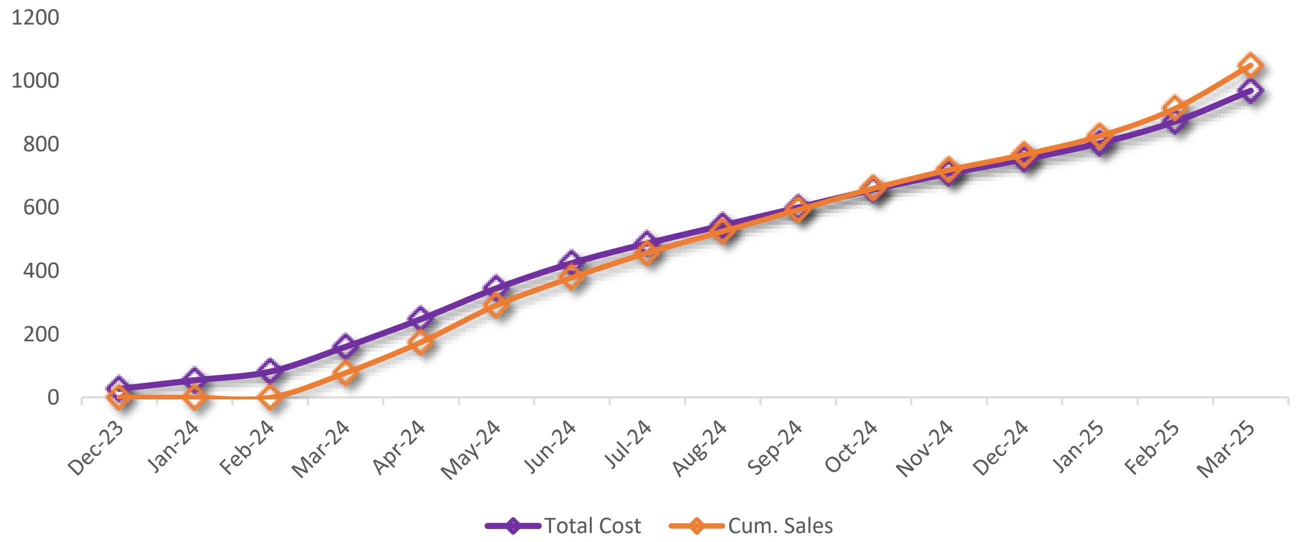
		Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total FY 24-25	Total Till Mar-25
	SGA Cost (%)	12%	12%	12%	14%	13%	12%	12%	7%	7%	7%	7%	7%	7%	7%	7%	7%	226.6	
SGA Cost	**Fixed Cost**	27.2	27.2	27.2	31.7	29.5	27.2	27.2	15.9	15.9	15.9	15.9	15.9	15.9	15.9	15.9	15.9	226.6	339.9
	Variable Cost (%)				8%	10%	12%	9%	8%	7%	7%	7%	6%	5%	6%	9%	14%	582.54	
COGS	**Variable Cost**				46.60	58.3	69.9	52.4	46.6	40.8	40.8	40.8	35.0	29.1	35.0	52.4	81.6	582.5	629.1
	% of Sales				8%	10%	12%	9%	8%	7%	7%	7%	6%	5%	6%	9%	14%	970.9	
	Sales (₹ Cr)				77.7	97.1	116.5	87.4	77.7	68.0	68.0	68.0	58.3	48.5	58.3	87.4	135.9	970.9	1048.6
	Cum. FC	27	54	82	113	143	170	197	213	229	245	261	276	292	308	324	340		
	Cum. VC	0	0	0	47	105	175	227	274	315	355	396	431	460	495	548	629		
	Total Cost	27	54	82	160	248	345	424	487	543	600	657	708	753	803	872	969		
	Cum. Sales	0	0	0	78	175	291	379	456	524	592	660	718	767	825	913	1049		

Note:

Variable Cost spread across Months is considered directly proportional to estimated Sales

Fixed Cost in this case will be not be equal in each month

Fixed Cost spread across months is estimated based on pre-launch & promotional activities



Appendix

Expenses Breakdown

EXPENSE CALCULATIONS		
Estimated Revenue for the 1st Year		
Market Potential	1387	
Estimated Market Share	70%	
Sales / Revenue	970.9	
Estimated Costs for the 1st Year		
Raw Materials (30%)	**291.27**	Assumed based on industry average
Labour (15%)	**145.635**	Assumed based on industry average
Overheads (15%)	**145.635**	Assumed based on industry average
Digital Marketing Campaigns	**4**	
Point of Sales Costs	**3**	
Campaign Costs	**2**	
Traditional Media (TVC)	**80.75**	
Celebrity Partnership - Govinda	**3**	
Influencer Partnerships x3	**11**	
Outdoor Media Campaign (Billboads & Bus S	**71.58**	
Print Media	**31.825**	
Other Expenses	**19.418**	2% of Sales
Net Operating Profit	***161.786***	

Billboards		*No. of billboards*	*bus stand advertisements*	*Total Cost*
Tier 1 cities	8	20	0	
Tier 2 cities	97	2	10	
Total number of outdoor ads		354	970	
Avg cost of outdoor ads in a year		1200000	300000	
Total cost of outdoor ads for a year (Cr INR)		42.48	29.1	71.58

Channels	Cost for 20 secs ad in 1 day
Star Plus	1,64,460
Colors	43,020
Sony	53,140
Sony Sab	83,500
Sony Max	41,460
Aaj Tak	12,000
Zee TV	59,800
Star Sports	80,960
Total Amount	5,38,340
Times it is shown in a day	6
Number of days it is shown in a year	250
Total Cost (Cr INR)	**80.751**

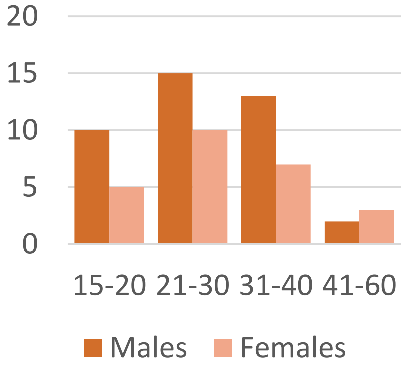
taken from themediaant.com

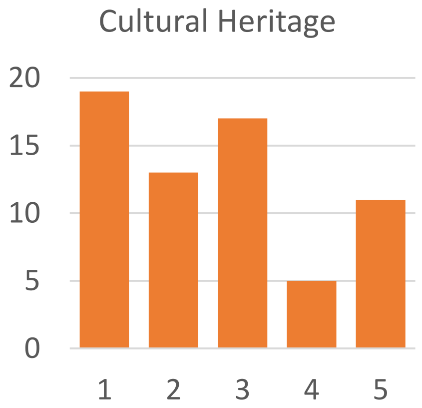
Print Medias	Cost	Number of times in a yea	Number of print medias	Yearly Cost
Newspapers	2000000	25	6	300000000
Pamphlets	50	365	500	9125000
Flyers	50	365	500	9125000
			Total Cost (Cr INR)	**31.825**

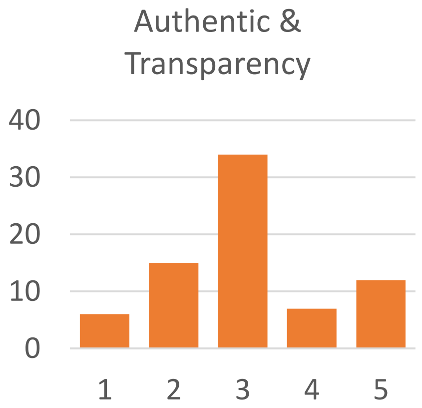
Influencer Marketing	Followers	Cost per post	Number of posts in a year	Yearly Cost
Ranveer Allahbadia	2700000	1000000	50	50000000
Fittuber	256000	400000	50	20000000
Mumbiker Nikhil	1400000	800000	50	40000000
			Total Cost (Cr INR)	11

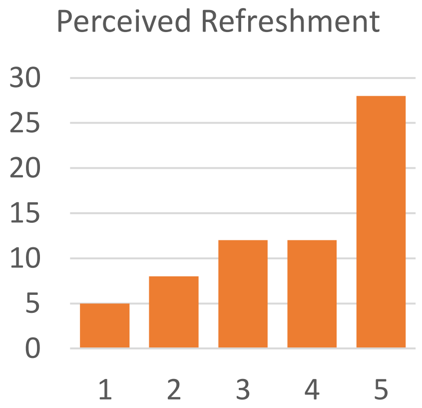
Appendix

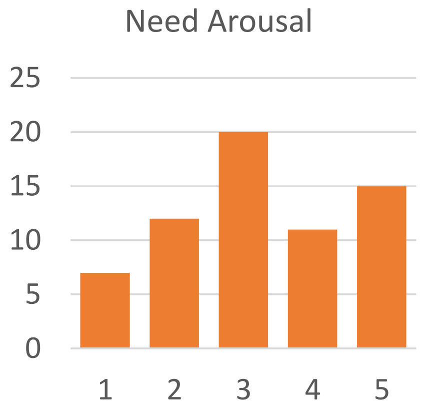
Primary Research Insights

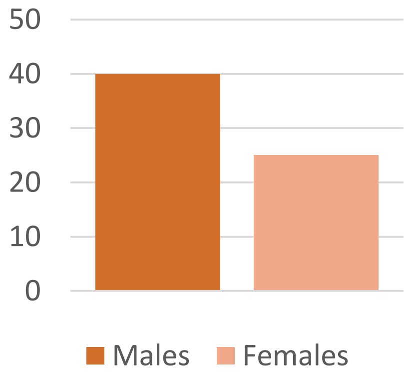


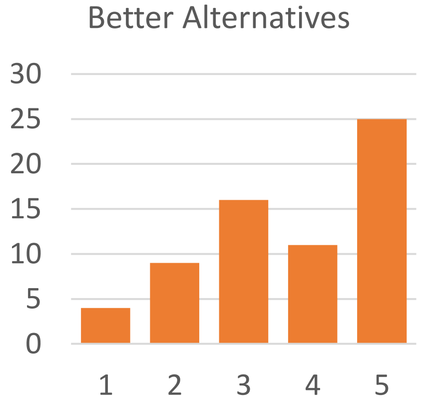


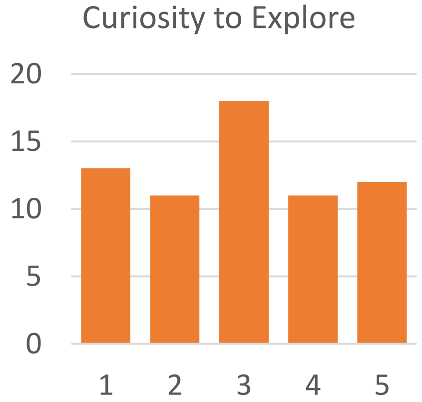


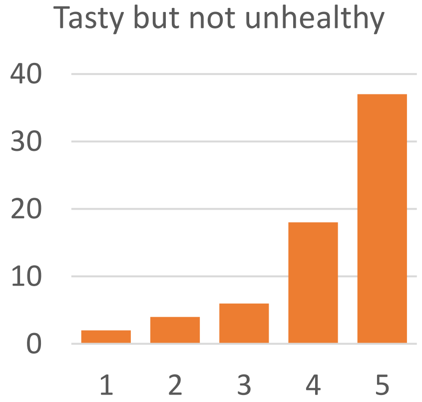


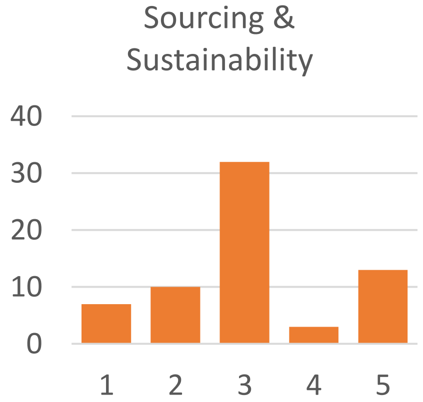












THANK YOU