



Most Powerful D2C Brands Scripting Success in India

THE INDIA
D2C
YEARBOOK
2 0 2 2

Powered by

 **GreenHonchos**

An
IMAGES
GROUP.IN
Research



Most Powerful D2C Brands Scripting Success in India

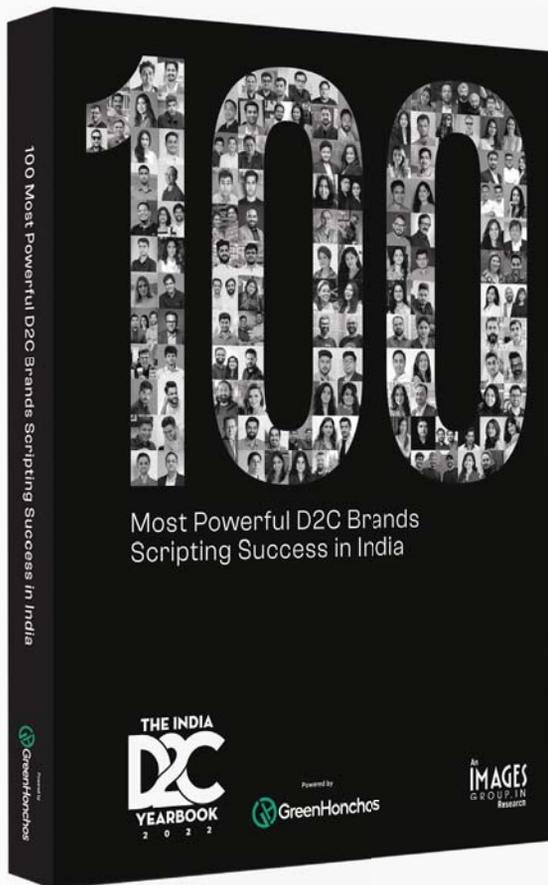
THE INDIA
D2C
YEARBOOK
2 0 2 2

Powered by



An
IMAGES
GROUP. IN
Research

Cover Price ₹3999



An
IMAGES
GROUP.IN
Research



Cover Price

₹3999

To order your copy, contact:

Priti Kapil

Deputy Manager – Consumer connect & Subscription
S-61 A, Okhla Industrial Area Phase 2, New Delhi 110 020

T: +91 11 40525000 | F: +91 11 40525001

Mobile: +91 9868801869

E-mail: pritikapil@imagesgroup.in

Publisher
SP Taneja

Project Advisory
Amitabh Taneja
RS Roy
Anjali Sondhi
Bhavesh Pitroda

Project Head
Anurima Das

Editorial Support
Sandeep Kumar
Pooja Mujumdar

Creatives
Pawan Kumar Verma

Design Team
Deepak Verma
Prakash Jha
Arshad Khan

Production
Manish Kadam

Retail Advising Services LLP
(LLPIN: - AAJ-1907)

Registered Office:

S-61 A, Okhla Industrial Area Phase 2, New Delhi 110 020

T: +91 11 40525000 | F: +91 11 40525001

E: info@imagesgroup.in | URL: www.imagesgroup.in

Mumbai: E 519, Floral Deck Plaza, Central MIDC Road, Opp SEEPZ,
Andheri East, Mumbai 400 093

T: +91 22 28398000

All material printed in this publication is the sole property of Retail Advising Services LLP. All printed matter contained in the magazine is based on the information provided by the writers/authors. The views, ideas, comments and opinions expressed are solely of the writers/authors or those featured in the articles and the Editor and Printer & Publisher do not necessarily subscribe to the same.

Printed & published by S P Taneja on behalf of Retail Advising Services LLP. Printed at Modest Print Pack (P) Ltd. C-52, D.D.A. Shed Okhla Industrial Area Phase -1, New Delhi - 110 020

and published by S P Taneja from S - 61A Okhla Industrial Area Phase - 2, New Delhi 110 020
Editor: Amitabh Taneja

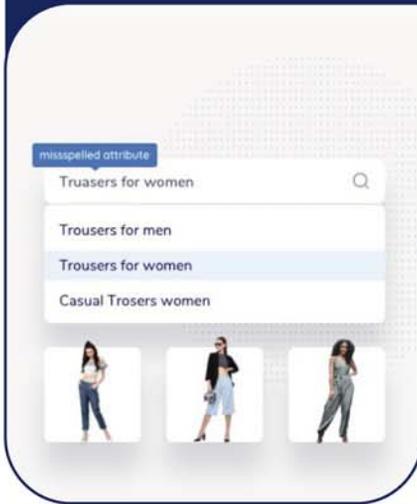
In relation to any advertisements appearing in this publication, readers are recommended to make appropriate enquiries before entering into any commitments. Retail Advising Services LLP does not vouch for any claims made by the advertisers of products and services. The Printer, Publisher and Editor-in-Chief of the publication shall not be held for any consequences in the event of such claims not being honored by the advertisers.

Copyright Retail Advising Services LLP. All rights reserved. Reproduction in any manner is prohibited. All disputes are subject to the jurisdiction of competent courts and forums in Delhi/New Delhi only.

Wizzy

AI-Powered Search and Product Discovery Suite for D2C Brands

Relevant



Relevant : Shows Most Accurate set of Suggestions and Search Results.

Reliable



Reliable : Wizzy Ensures 100% Uptime for Search Service.

Rapid



Rapid : Shows Search Result Within a Blink of an Eye!

Top eCommerce Brands in India use Wizzy's Smart Site Search



Email : team@wizzy.ai | Website : www.wizzy.ai | Phone : +91 96873 95092

FOREWORD



IMAGES
GROUP.IN



We are living in very exciting times and the lines demarcating the various arenas of retail have long been blurred it is safe to say that the hybrid ecosystem is ruling customer sentiments now. To substantiate this, I would like to cite an interesting fact here. According to a recent survey, 73% of customers want to visit a store and then make a final purchase on their mobile phones, often from within the store itself. This establishes the power of connected retail and how no channel is separate from the other and actually builds into one another.

This yearbook celebrates this connected move of retail via the D2C route. In this Yearbook, we feature India's prominent 100 brands, highlighting their category dominance, funding and revenue trends, customer acquisition strategy, and finally their overall growth numbers. However, what's significant is that we feature their strengths in exploring multiple channels in a direct way. We are talking omnichannel here but via a prominent D2C driveway. This makes the narrative very encouraging and highly customer-driven today.

According to a joint report by Shiprocket with CII and Praxis Global Alliance, the D2C space is expected to grow 40% between FY22-FY27, reaching a \$60 billion market size in 2027. This growth is pivoted by funding that the brands are able to pull in by diversifying in many ways, unlike before. They want to explore the concept of direct-to-customer in its true spirit and the investors are also encouraging such a turn of events. In fact, according to a report by Bain and Company, 2021 served as the platform to kick-start operations for the digital-first aggregation model in India, with a spate of D2C aggregators receiving funding. VC investment in D2C startups increased from \$40 million in 2020 to \$1187 million in 2021. The report also pointed out that increasing depth in online consumer purchasing preferences, supported by the growing ease of building an online presence or channels for the brand, is driving the D2C revolution in India.

So, funding and multiple channel proliferation are driving the D2C growth story in India to even touch the global shores. The Sleep Company for instance is the first D2C brand to expand into international markets within the first 2 years of its inception. It has also touched the 200 CR ARR rate as of October 2022 piggybacking on its omnichannel presence. After opening its first offline store this year, Berrylush a 2017-born D2C fashion brand is now aiming to proliferate offline, aggressively and also open its IPO in 2-3 years. This IPO ride is a very positive streak and iconic brands like SUGAR are also eyeing it by 2024-25. In fact, the power of dominating across channels, but still keeping fulfillment in your own hands is something that a pioneer like Peesafe has shown us. The brand has a robust backend and carries forward all its fulfillment on its own.

It is a long list, but the achievements of newcomers and the budding digital-first brands are also equally inspiring and worth a mention. All thanks to innovation and a strong product strategy, brands like OatMikare now able to close funding within months of their launch. The ecosystem is only getting stronger and more passionate piggybacking on a very motivating customer response and a hugely tech-backed enabler ecosystem. I will wait to see how the narrative gets scripted with more growth pointers in the days to come. Come, join me on this joyride!

Amitabh Taneja
Managing Director
IMAGES Group

FOREWORD



It's been a year since the first edition of the D2C yearbook was published and a lot has changed since then. We no longer celebrate the success of a few Unicorns, but the overall success of the D2C industry as a strong community of digital commerce entrepreneurs who have now inspired legacy retail giants to foray into the D2C space.

Over the last few years, the D2C industry has undoubtedly accelerated to a level where it is now spearheading the next phase of e-commerce growth in India. Backed by the continuous double-digit growth in internet users, a 60% increase in per capita income in the last decade and the launch of 5G - deemed to offer an immersive and on-the-go digital shopping experience for the customer, the industry is estimated to grow 5.5X from the current valuation of \$55Bn to \$302Bn in the next 8 years. Moreover, recent industry reports indicate that modern shoppers are spending 4.7 hours on average on mobile phones per day with 60% of netizens making their purchases online.

What has made D2C brands a consumer sensation over a period of time is tapping into product and price white spaces, fostering a unique brand identity, a clear value proposition, product innovation, connecting with customers and ears to the ground while serving the needs of digital-first modern shoppers. While the D2C brands keep achieving new milestones, what has essentially helped them usher in this digital 'techade' is the rise of a growing enabling ecosystem that supports the demand generation, technology and fulfilment needs of these brands helping them achieve a competitive advantage over the legacy industry incumbents.

Apart from taking a fast-mile advantage in categories like fashion & apparel, consumer electronics and homeware, D2C brands are also braving new waters and chalking new paths in diverse consumer categories like baby care, pet care and many others. Several of these brands are now doubling down on untapped geographies and cities beyond the big 3 (Mumbai, Delhi, and Bengaluru) driving 80% of new shoppers from tier-2 & tier-3 cities.

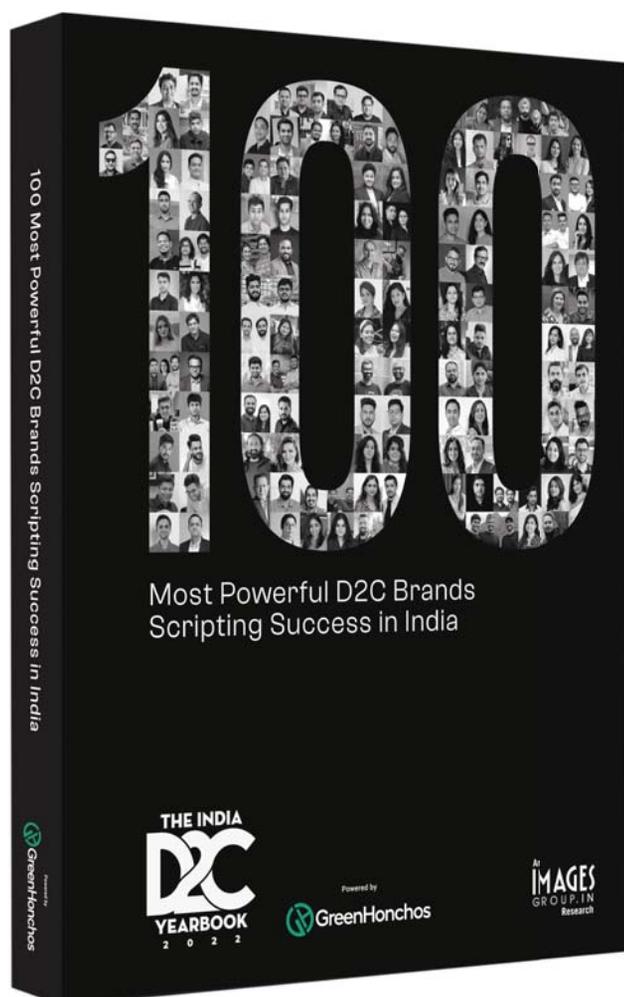
While the global economy continues to navigate troubled waters, India's eCommerce seems majorly insulated against the trend with an estimated emergence of 450 Mn shoppers by 2027 from the current figure of 300 Mn online shoppers. The ongoing festival season validates this fact where products worth \$5.2 Bn+ were sold online and the industry overall recorded a CAGR of 29% compared to the figures of 2018.

As we head towards 2023, the covid-era digital boost is waning off. D2C must continue fighting the post-purchase experience battle, drive the next phase of growth through omnichannel retail, leverage the tenets of technology, ensure its optimal implementation and utilization, as well as integrating the channels of commerce to work seamlessly towards achieving sustainable profitability online.

And while the narrative unfolds, D2C is headed towards a \$100Bn opportunity in the next 3 years and most certainly, D2C brands are leading the next wave of value creation in the consumer sector. I hope the insight shared in this yearbook and the inspirational stories of much-celebrated D2C brands will inspire the next generation of brands and provide valuable takeaways for every D2C industry stakeholder.

Navin Joshua
Founder & Director
GreenHonchos

CONTENTS



- 10 Overview with All logos
 - 12 D2C Landscape Overview
-

16 D2C Icons

- 18 Arata
 - 20 Bacca Bucci
 - 22 Bagzone Lifestyles Pvt Ltd (Lavie)
 - 24 Bombay Shaving Company
 - 26 Clovia
 - 28 GreenDot
 - 30 Idam House of Brands
 - 32 Interflora
 - 34 Mamaearth
 - 36 mCaffeine
 - 38 Neeman
 - 40 Nestasia
 - 42 Pee Safe
 - 44 Rage Coffee
 - 46 SUGAR Cosmetics
 - 48 Tailor & Circus
 - 50 The Fragrance People
 - 52 The Woman's Company
 - 54 Wow Skin Science
 - 56 Zappfresh
 - 58 Zlade
-

60 D2C Innovators

- 62 4700BC
- 64 Aeronot
- 66 Chaika
- 68 Coffeeza
- 70 FabAlley and Indya
- 72 Inner Sense
- 74 Jivraj9 Tea Group
- 76 Laiqa
- 78 Lil' Goodness
- 80 Moonshine Meadery
- 82 Nua
- 84 Orange Tree
- 86 Priti International Limited
- 88 Roosemoore
- 90 Saraf Furniture
- 92 Solethreads
- 94 Vieroots Wellness Solutions
- 96 WoodenStreet

CONTENTS

- 98 Trend Thoughts
5 Trends that ruled D2C growth in 2022
By Naman Vijay, Co-Founder, ClickPost
-

104 D2C Trendsetters

- 106 Bluestone
108 Berrylush
110 Chappers
112 Cloud Tailor
114 Fixderma
116 Madbow Ventures Limited
118 NOTO
120 Phool
122 Pilgrim
124 RENÉE Cosmetics
126 Salt Attire
128 Something Brewing
130 TAC
132 The Sleep Company
134 Truly Desi
136 YXXX
-

- 138 Deep Dive
Customer experience on focus to building the right conversation
-

- 142 Tech Connect
Delivering an unfair digital advantage for e-retail brands
-

144 D2C New League

- 148 AKS Clothings
150 Almo
152 Athflex
154 Beyours
156 BodyFirst
158 Cinnamon Closet
160 Ed-a-Mamma
162 Elysiano
164 Encasa XO
166 Flistaa
168 For Sarees
170 Gargi
172 Go Zero

- 174 Harbour9
176 HealthyHey
178 Jisora
180 Joker & Witch
182 Junekeri Homes
184 Kindly
186 Layers
188 Mush
190 Mylo
192 Nuutjob
194 OatMik
196 OTT Skyncare
198 Perfora
200 Raw Beauty
202 Risham Jewelry
204 Sam & Marshall India
206 Sioli Resort Wear
208 Snitch
210 Sol'earth Fashion
212 Strauss
214 Suzu Agro Pvt Ltd
216 Tego
218 The Butternut Company
220 The Clownfish
222 The Indus Valley
224 The Pot Plant
226 The Simple Brew
228 The Skin Story & The Beard Story
230 Traya
232 Tru Nativ
234 UrbanGabru & Urban Yog
236 Vedas Exports
238 Yellow Chimes



OVERVIEW

THE INDIA D2C YEARBOOK

- * Estimated size of the Indian D2C Market

\$100 Bn+

- * Estimated Value Of The Indian Ecommerce Market By 2026

\$200 Bn+

- * Growing number of Indian online shoppers

100 Million+

- * Rise in number of brands within the D2C ecosystem

800+ brands

21 new unicorns have been added in 2022 within the Indian startup ecosystem, of which there's a significant number of direct-to-consumer brands. This is a clear indication of the growth story of the D2C ecosystem, which is taking a big leap of growth every single day. The pandemic has taught many things to the retail ecosystem, but the biggest learning for retail, especially traditional retail has been that this sector understood the importance of the D2C model. While in the last 2 years the brands with their own online presence have recorded good traction and won a stronger customer base, this year the shift to newer channels has been very significant. As their online presence gets stronger, D2C brands are equally invested in expanding to international markets as they are in expanding their domestic footprint. A growing trend, D2C is now eyeing multiple-channel proliferation to leap ahead with visibility.

THE D2C ECOSYSTEM IS A BUZZING SPACE & HERE'S A STEP TOWARDS
DECODING BRAND STORIES OF KEY PLAYERS

	AERONOT			A R A T A		
CINNAMON CLOSET					ĒLÝSIANO	
FABALLEY						
harbour 9					JISORA	
JOKER & WITCH	JUNEKERI		LAIQA			

OVERVIEW

In 2021, 180–190 million Indians shopped online. By 2027, around 400–450 million shoppers will emerge in e-commerce. This is based on shoppers who are already in the digital funnel as social media users. The online space is buzzing with opportunities and according to reports the Indian e-retail market is estimated to increase to \$150–\$170 billion by 2027. This implies 25%–30% annual growth and a doubling of market penetration to 9%–10% over the next five years.

THE D2C GROWTH STORY

Today the D2C market size is increasing in leaps and bounds and India houses more than 800 D2C brands, and the count is only increasing every passing minute. This market segment is estimated to touch the 100\$ billion mark by 2025. More than 100 million people, 70% of whom are millennials are shopping online today and registering a big imprint of growth for the D2C ecosystem. This young population is pushing the boundaries for the market players and making it more promising for them to create a niche for their audience.



- * According to reports in Q2 2022, Indian D2C startups raised \$599.7 million or 42.7% of all e-commerce funding during the quarter
- * India is witnessing a 15X increase in funding within the D2C & startup ecosystem
- * As of September 2022, India is home to 107 unicorns with a total valuation of \$340.79 Bn



Mamaearth became profitable in the financial year ending March 31, 2022, soon after having entered the unicorn club earlier this year.



SUGAR opened its 100th offline store this year, at the same time kept it's a game strong online acquiring over 2 million followers on Instagram.



Peesafe with footprints in more than 20 countries across the globe, fulfills all orders in-house, dispatching as many as 10,000 orders daily from its warehouse spread across nearly 20,000 sq. ft.

Popular D2C enablers

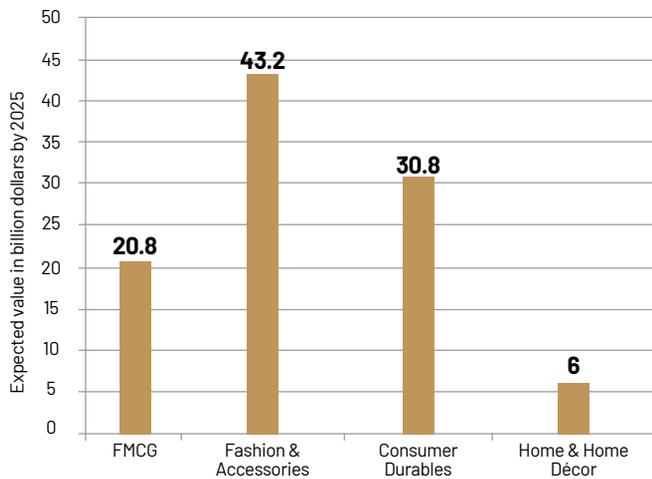


D:\Shared Documents\The Store\Thumbnail logos\Shopify-Logo.

Growing Conscious

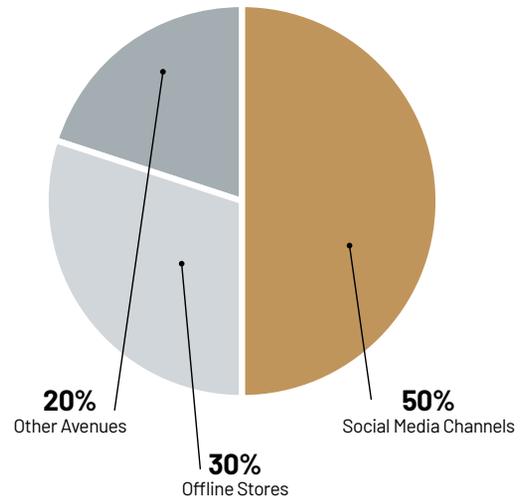
- * More than 70% of D2C consumers demand to shop from a conscious brand today.
- * 80% customers want to shop from brands that offer products that can be customized.

KEY D2C CATEGORIES AND THEIR GROWTH PATTERNS



- * FMCG to touch \$20.8 Bn by 2025
- * Fashion & accessories is the fastest growing segment, to touch \$43.2 Bn by 2025
- * Consumer Electronics to touch \$30.8Bn by 2025
- * Home & home décor to touch \$6 Bn by 2025

D2C BRANDS ARE TRYING TO FOCUS ON OMNICHANNEL FOR GROWTH



Note: 80% D2C brands have started focusing on multiple channels apart from their own website to draw in customers

INDIA IS PUSHING THE ENVELOPE OF E-TAIL BY DEMOCRATIZING THE MARKET



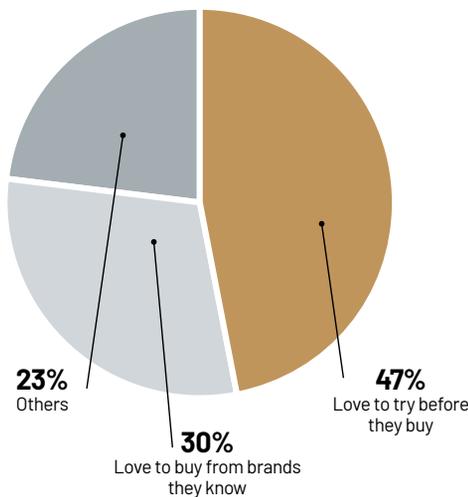
3 in 5

New shoppers are from Tier II & III cities

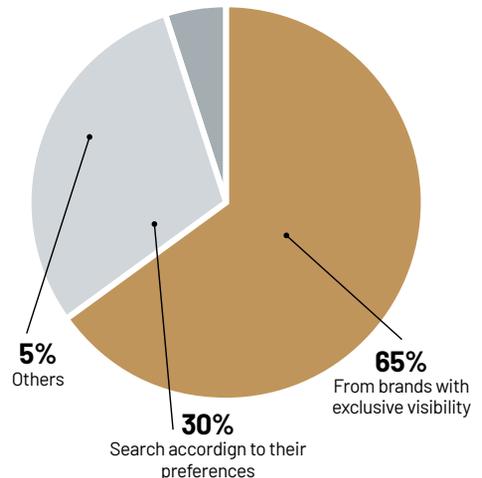
1 in 3

Shoppers is 25 years old or younger

SUBSCRIPTION MODELS & BUNDLED OFFERS ARE HELPING WIN CUSTOMERS

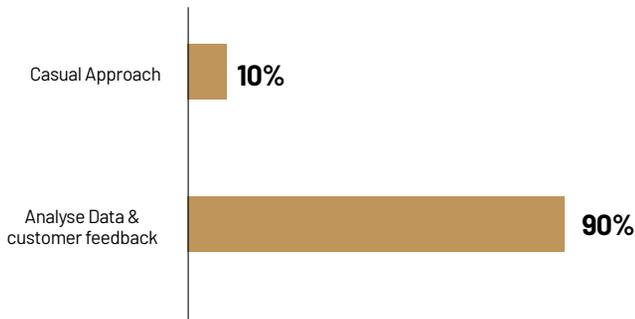


CUSTOMER LOYALTY FOR BRANDS THAT ARE VISIBLE

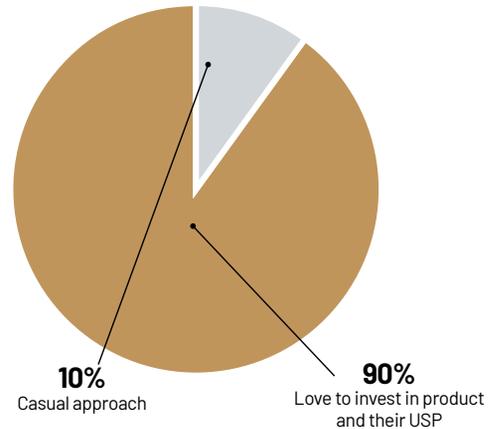


OVERVIEW

CUSTOMER BEHAVIOUR TRENDS ANALYSIS IS ON THE TOP OF THE BRAND'S MIND



SIMPLICITY, AND EASE OF PURCHASE TAKES THE CAKE THIS 2022



TRENDS WATCH



Marketing channels and processes have got diversified

India's digital-first brands are now writing a new story to gain traction among their consumer base. The interesting feat here is that the brands are no more depending on online channels to market their products, but are diversifying using traditional marketing channels. By gaining admiration in tier 2 and 3 towns brands are swiftly shifting attention to age-old mediums of communication like TVC, BTL, and other conventional ATL routes. From WhatsApp-based selling and taking orders via Google forms, brands are moving to offline sampling, product trials, Ads, and much more to market their presence in a more holistic way.

Stepping onto the global soil

The Indian direct-to-consumer market has already started to scale up considerably this 2022. They will keep abreast of this trend and continue to scale their reach not just in our own country but globally. International markets are growing and

opening up doors to other markets to make their imprint in new soils, projections show that cross-border purchases will account for a fifth of all worldwide e-commerce by 2022. It is a fact that international markets have huge potential when it comes to sales. With new financial technology like tax calculators for different countries, multi-currency payment options, international shipping, distribution, etc., buying and selling across borders has never been easier.



New tech tools & methods will see more takers

With online being the first priority, digitally interacting with customers in real time will continue to be the game changer for brands. The advancement of AI will continue to build this path stronger. The recommendations based on AI learning and customer interactions are referred to as in-cart upsell. Clients have become more rapid in making purchasing decisions as a result of the entire digitalization of business operations, and direct-to-customer enterprises will continue to focus on

making customers feel welcome on whatever platform where their products are advertised. Even in D2C marketing, cutting-edge technology such as automated dialogues via chatbots is getting integrated, drastically minimising wait time and aiding in customer acquisition and retention.



The growth of quick commerce

Customers today are no longer keen on waiting to lay their hands on the products they have purchased. This has given birth to the idea of quick commerce brands need to pay special attention to not only the customer needs but also to the concept of fulfillment. They have to ride the aisle faster and quicker. In fact, multiple tech-driven, competitively priced logistics partners have made it easy for smaller brands to deliver products beyond just their local geographies. This is propagating D2C brand growth and pushing them to rule in both urban and rural areas, as well as take a leap to make international shipping possible. The customer reach is becoming more democratic for even small brands and is no more a thing restricted to large brands and big budgets.

Easy checkout and multiple payment options to help win customers

Brands not only need to enable their payment gateway to be able to support the customer with multiple options for payment but also have to use technologies to engage clients throughout the checkout portal. This aids in the early identification of fraud, buying tendencies forming in different regions' histories, and

access to a database with minute details and presenting delivery timetables before dispatch, among other things. It provides alternatives for storing subscription and secure payment information, among other things, for simplicity of use.

Post-purchase experience is high on the radar

With omnichannel play becoming a stronger backbone of the D2C ecosystem, the experience that a brand extends to its customer is no more reserved to simple approaches. However, it extends to the post-purchase experience. The brands need to stay alert and awake on the customer journeys at all times, trying to do meaningful conversations and build the right relationships with their customer. From putting out the right path for the customer to activate quick returns if need be to regularly check back with the customer to gather their feedback on the product they have bought, the brands will look for ways to stay agile.

Reverse logistics needs to be tackled efficiently

In 2020, the global reverse logistics industry was worth \$635.6 billion, and it is expected to grow to \$958.3 billion by 2028. As a result, D2C brands will now have to find their way with efficient logistics partners to help them lower the percentage of orders that are returned to the point of origin (RTO). Predictive customer analysis on each order will have to be done to determine their risk percentage.

Buy now, pay later and interesting offers will rule the buying trends

Fostering long-term customer relationships will continue to be high on their minds and they will do this through cashback, discounts and next-purchase vouchers. Further, the concept of BNPL (buy now pay later) will continue to offer convenience to the customers. Brands in India have begun using this payment option to increase average purchase values and decrease cart abandonment rates. In addition, it gives customers a flexible method to pay at checkout while facilitating a smooth shopping experience. According to reports, from 2021 to 2028, BNPL usage is predicted to grow at a CAGR of 28.9%.

PROMINENT BRANDS THAT TOOK THE OFFLINE ROUTE RECENTLY

LEADING D2C BRANDS OF 2022

Scripting the D2C Story in India

Brand Name	Founders	Year Established	Sector	Y-o-Y Business Growth
D2C ICONS				
SUGAR	Vineeta Singh & Kaushik Mukherjee	2015	Beauty	85%
Peesafe	Vikas Bagaria and Srijana Bagaria	2017	Feminine hygiene	70%
Bombay Shaving Company	Shantanu Deshpande	2015	Men's grooming	100%
mCaffeine	Tarun Sharma and Vikas Lachhwani	2016	Personal care	100%
Gooddot	Abhishek Sinha	2016	Plant-based food	100%
Rage Coffee	Bharat Sethi	2018	Plant-based food	4-5x
ZLADE	Suraj Chaudhari, Harish Amritkar and Mihir Vaidya	2015	Men's grooming	3.8x
IDAM House of Brands	Aakash Anand	2020	Personal care	4x
Tailor & Circus	Vasanth Sampath, Gaurav Durasamy and Abishek Elango	2020	Personal care	3x
Nestasia	Aditi Murarka, Anurag Agrawal	2019	Home decor	10x
Zappfresh	Deepanshu Manchanda	2015	Food	25x
Clovia	Neha Kant, Pankaj Vermani and Soumya Kant	2012	Fashion	50%
ARATA	Dhruv Madhok and Dhruv Bhasin	2018	Beauty	7.38%
The Woman's Company	Anika Parashar and Roopam Gupta	2020	Personal care	20% plus
Neemans	Taran Chhabra and Amar Preet Singh	2018	Footwear	64%
Interflora	Anuja and Tarun Joshi	2017	Home decor	100%
Mamaearth	Ghazal and Varun Alagh	2016	Beauty and Personal care	NA
Bacca Bucci	Natwar Agrawal and Anuj Nevatia	2013	Footwear	61.76%
Wow Skin Science	Manish Chowdhary and Karan Chowdhary	2016	Personal care	15x
The Fragrance People	Arti and Deepak Jain	2010	Fragrance	15%
Lavie	Ayush Tainwala	2009	Accessories	100%

No. of Employees	No. of Customers (in lakhs)	Turn over Fy 21-22 (in crores)	Funding	Established/ Emerging growth
2500+	34 L	127.8 (FY21)	85.5 L (Key Investors: L Catterton, A91 Partners, Elevation Capital, India Quoitent, Stride Ventures)	Established
200+	NA	50	1 Cr	Emerging
200+	80L	37.5	459L (Key Investors: Fireside ventures, Sixth Sense Ventures)	Established
600+	80L	540	4.1 Cr (Key Investors: Paragon partners, Amicus Capital, RPSG Ventures and Harsh Mariwala office)	Established
300+	30L+	18.43	\$6.5M	Emerging
50	10L+	100	42 Cr (Key Investors: Virat Kohli, Sixth Sense Ventures)	Established
70	1L+	5.7	12 Cr (Key investors: Amit Kalyani, Poddar Family office (Confidential))	Emerging
200	NA	100	\$10M (Key investor: Ananta Capital)	Established
22	1L+	NA	NA	Emerging
150+	2L+	32	33 L (Key Investors: Stellaris Venture Partners)	Emerging
25+	1L+	70	140 Cr	Established
1122	8 L	45.7	96 Cr	Emerging
50+	1L+	30	10.5 Crores (Key Investors: AngelList, DSG Consumer Partners)	Established
50+	0.2L+	15(Fy 22-23)	NA	Growing
50+	NA	20	\$11.6M (key investors: Sixth Sense Ventures)	Established
50+	0.3L+	200	\$10M	Emerging
400+	50L+	952.4	12 Cr	Established
50+	50L	32.8	NA	Established
2000+	40L+	108.6	₹375 Cr (key investor: Singapore's sovereign wealth fund GIC)	Established
200+	30L+	45	NA	Established
60+	30L+	50	\$37 Million	Established

“

Our whole approach with Arata is to provide everyone with clean, chemical-free, vegan and sustainable personal-care solutions! And with this approach, the customers have placed their trust in us, and we have an extensive database of recurring customers.



**DHRUV
BHASIN &
DHRUV
MADHOK**

Co-founders, Arata

Taking care of you, naturally

Think personal care products that are clean, non-toxic and plant-derived, and probably the first name that will come to your mind is Arata. The brand is known for its hair care, oral hygiene and skincare products infused with high-quality, natural ingredients that deliver promising results—each at one-fourth the price of a comparable product in Europe or North America.

An exciting start

Ask Dhruv Bhasin and Dhruv Madhok, the co-founders of Arata, how their brand came into being, and they are quick to reply that it was the humble flaxseed that changed everything! Bhasin shares that it all began one evening in January 2016, when he decided to use his mother's homemade hair gel recipe to style his hair for Madhok's wedding celebrations. When Madhok asked him if he was concerned about his hair falling or whitening from the excessive use of hair gel, he explained that his hair gel was 100% natural and made with organic flaxseeds. The next day, he sent a sample of the hair gel to Madhok, who tried it and noticed that it held his hair just as well as any other hair gel on the market. Excited, Madhok immediately called him up and said, "Let's make this gel for everyone looking for a safe alternative to style their hair."

Bhasin and Madhok had their hearts set on offering plant-based, sustainable personal care products to Indians. But before starting their business, they did some research about other players in the market and were shocked to discover that some brands blatantly hid behind the garb of 'key ingredients' and did not disclose the harmful chemicals or ingredients used in their formulations. Moreover, some of the ingredients used in everyday hair care products, such as hair gels, could result in hair fall and whitening. There was very much of a gap in the Indian personal care market, so Bhasin and Madhok went ahead and launched their start-up Arata, a one-stop destination for personal care products with clean formulations and chemical-free ingredients.

Along the way

To make the entire personal care experience non-toxic yet exciting and indulgent, Arata has products that are safe, effective, innovative and unique, from its natural organic flaxseed hair gel to its fluoride-free cinnamon and chamomile toothpaste. "Our agenda was clear: provide the best plant-based solutions to customers and be 100% honest with them. Four years into Arata,

we are super proud that our mission is still the same but better. We are the first, and the only brand in India to have received the coveted EWG Verified certification [that recognises brands creating healthier, safer products]," shares Bhasin. Moreover, at Arata, the products are not tested on animals, and neither are any animal- or insect-derived ingredients used. "Our products are packaged in post-consumer recycled (PCR) plastic, which is obtained from landfills and ocean waste, and then melted, sanitised, recycled and moulded into bottles. We want to give back to our planet," adds Madhok.

Over the years, Arata has earned people's trust in spades, which is why it has an extensive database of recurring customers. To help things along, at Arata, the customer's journey is strategically planned, from points A to Z. "This involves introducing customers to our brand, educating them about the new (and existing) products and why our products are different, and enlightening them about the ongoing discounts and whatnot. We create different touchpoints with customers so that they get familiar with our brand and trust us," shares Madhok.

Looking to the future

Since the last year, Arata has started focusing more on hair care. "We believe hair care is the next big thing as skincare is already having its big moment in the Covid era. Therefore, every month, we launch a new hair care range targeting specific concerns such as hair fall, dandruff, styling needs, etc. Like skin, there are many hair types, and we want to target them all with our powerful, plant-based solutions," shares Bhasin. The brand's Advanced Curl Care Range for curly-haired women, which came out in January this year, has been a massive success. So, what are the plans for the future? "Those would be scaling the product offering, team and geographies, working towards international expansion, and becoming internet-only in the next two years", replies Madhok.

A R A T A

BROWNIE POINTS

- * Arata has crossed the symbolic number of 1 crore per month in sales.
- * It enjoys a global presence (in the US, UAE and UK) via Amazon.
- * Year on year, its revenue has grown 3-4x (approx.).
- * It continues to be a leading player by leveraging its in-house operations team, warehousing facility and ERP or enterprise resource planning (for smooth operations), as well as partnering with large third-party logistics providers.
- * The brand's co-founders have been judges on 'The Inventor Challenge', a reality show that provides a platform for enterprising inventors to put forth their big ideas.

“

Before setting up any business, it is important to analyse and observe all the pros and cons that may hinder the scope of your business.



ANUJ
NEVATIA &
NATWAR
AGRAWAL

Founders and Directors,
Bacca Bucci

Shoe love

Footwear is bought all year round and has a better market structure than many of the other products out there. This, and the seasonality in the business, is what pushed Anuj Nevatia to launch his footwear brand Bacca Bucci, which has since gained popularity among Indians.

An exciting start

Anuj Nevatia's desire to create shoes that are affordable for everyone, with a lot of variety in designs and no compromise on quality, led to the inception of his brand Bacca Bucci. It is a one-stop shop for the latest collections of footwear for men, women and children, along with men's belts and wallets. "Bacca Bucci is a dream come true in which countless hours of effort, magnificent ideas and funds from unimaginable sources have been invested. Initially, things with our brand were not as planned as what you would find in every second start-up. Even though we faced a lot of problems regarding planning, strategising, coordinating and sometimes, with sourcing the funds as well, that did not stop us," shares Anuj Nevatia, Founder and Director, Bacca Bucci.

Along the way

Bacca Bucci has strived to be a customer-centric company right from the start. Therefore, what customers want has always been a priority here. "Footwear trends popular among customers have always gained our attention. We have seen a sudden rise in the demand for quality shoes and sneakers over the past few years. This is a trend that is still our current favourite to work on. Also, we plan to reimagine certain products like never before," reveals Nevatia.

The brand has built a loyal base of customers over the years, something that Nevatia feels grateful for. "It is due to our customers only that we have come this far. We believe that to stay connected to one's customers, one must provide what the customer needs in the best possible way and also keep in mind the pros and cons of one's product," says Nevatia. To further improve how the brand interacts with its customers and markets its products, Nevatia's team wisely implements the four Ps of marketing: product, price, place and promotion. Doing this has helped the brand move forward at the pace it wants.

Inventory management has also been a critical part of Bacca Bucci's success. "We are well aware of the factors which may cause disturbances in our operations or processes. Hence, to avoid any uncertainties, we keep our inventory updated. This way, even if we face any delay, we have sufficient supplies to use and enough time to manage the resources," explains Nevatia. To help the backend process run smoothly, artificial intelligence has been incorporated into it. This has resulted in timely reports and analytics that help the brand attract heavy customer traffic and overall, make things work for it in a better and feasible way.

At Bacca Bucci, a lot of time is also spent on thinking about which different products can be brought to customers. "The focus has been to make Bacca Bucci a unique brand in the segment with one-of-a-kind products. This is why we are planning to do away with single-use plastic in our footwear and implement the three R's—reduce, reuse and recycle," adds Nevatia.

Looking to the future

Bacca Bucci has done well in the last two years by using the right strategies and following the niche market business model. The Covid-19 pandemic was challenging and but at the same time full of opportunities for the brand, as consumers switched heavily to online shopping. "We took advantage of it, and for the future, we have got a lot more plans in the queue to bring in the best of products," says Nevatia. One of these is to launch the brand's first offline store by end of this year. "The idea is to set up our physical stores all over India. Currently, we are working on spreading our wings to Dubai. We took this decision after analysing the market there and the demand for our products," adds Nevatia. Also in the pipeline is omnichannel expansion, which the brand will put in place after coming up with its offline stores.



bacca bucci

BROWNIE POINTS

- * Currently, Bacca Bucci is neither an investor-funded entity nor a listed one.
- * The brand has incorporated artificial intelligence into its backend process to make it run smoothly and without any hassles.
- * Bacca Bucci's first offline store will be launched by end of this year.
- * Further, the brand is planning to set up its physical stores all over India.
- * Currently, the plan is to extend the brand's presence to Dubai.

“

During the Covid-19 pandemic, with nearly four-five months of close to zero sales, we had to fight hard to survive and support our partners. But we doubled our sales from 2020 to 2021—this growth was a high point for us.

**AYUSH
TAINWALA**

CEO, Bagzone Lifestyles
Pvt. Ltd. (Lavie)



Carry your world

Think Lavie and what comes to your mind is a brand synonymous with high fashion and quality. Since it was born in 2011, the brand has found a huge following among cool, modern and independent girls and women across the country thanks to its glamorous yet affordable collection of bags, from handbags and clutches to totes and backpacks.

An exciting start

Lavie's story started in 2009 when colourful handbags designed by Shobha Tainwala for guests attending her private family event became an instant hit. Nudged by her friends to continue creating these chic handbags, Shobha approached her brother to help her cope with the incoming orders. Finding a clear gap in the market for high-end bags, the brother-sister duo decided to establish a world-class brand. From 2010 to 2012, they travelled through vibrant locales of Europe and Asia to find design inspirations and source the finest materials. These travels inspired the birth of Lavie. The brand's name is derived from the popular French phrase *La Vie en Rose* which means 'life in pink hues'. "At Lavie, we continue to be inspired especially by the craftsmanship and designs found in Europe. We desire to make these available to the Indian audience. Always being true to our customers, being well aware of international trends and understanding what a great product is have helped us make Lavie into India's leading handbag brand," shares Ayush Tainwala, who is Shobha Tainwala's son and the CEO of Bagzone Lifestyles Pvt Ltd (Lavie).

Ayush views the category as magical—with a high ability to differentiate, a strong affinity towards brands and no sizes to simplify inventory management. "In the past few years, we have seen consumption in tier-2 and tier-3 cities growing exponentially as consumers demanded premium branded well-crafted products. We see the organised category doubling in size every three-four years, from the current 50 million units annually to over 200 million units in the coming future," conveys Ayush.

Along the way

Lavie has disrupted the category with a digital-first approach to social media and e-commerce and with vertical integration through a state-of-the-art manufacturing facility. The brand offers a huge product assortment for a variety of occasions, from work to weddings. "Our USP is to approach our category with two lenses: one of 'design' that is in line with the newest trends and the other of

'product' that must be handmade to scale. We deliver the best synergy of design, efficiency and craftsmanship," says Ayush. At Lavie, every product goes through a unique five-stage design and development process, ensuring that every bag is not only fashionable but also of the highest quality. The brand has the best-in-class automated cutting, drying, embroidery, printing and pasting machines. Supporting the manufacturing aspect is Lavie's strong network of logistics partners that provide e-commerce-enabled scalable solutions. "We are currently experimenting with and doing a cost-benefit analysis on running regional satellite warehouses," says Ayush. Of course, the brand is going strong while tackling the challenges too. "Initially, finding the right channels to reach our customers was difficult for us. We debated a lot over retailers vs. departmental stores, and online trading vs. offline trading. However, over the years, we understood that every customer has a strong preference for a particular shop, therefore, we must go where our customer goes," explains Ayush.

To stay close to customers, Lavie follows a multi-pronged approach. "Our design and marketing teams spend a lot of time observing and interacting with customers. Our in-house after-sales service team listens to all points of any dissatisfaction shared by customers to understand exceptional vs. systematic issues. And we believe in working with the best marketing and research companies that give us out-of-the-box insights," shares Ayush. When it comes to marketing, Ayush believes that the method and tactics evolve very quickly. "What was great today might be obsolete in six months. Hence, attracting the best people that are highly motivated and can learn and adapt quickly is the best push for our brand," explains Ayush.

Looking to the future

Lavie has had no external funding so far. The brand aims to double sales in the next three years while achieving 70% local sourcing. In the next three years, the plan is also to open 300 exclusive brand outlets.



BROWNIE POINTS

- * Lavie began its journey in 2011. The same year, the brand roped in Bollywood actress Kareena Kapoor as its brand ambassador and launched its new campaign with her.
- * The brand crossed Rs. 50 crore sales in 2015.
- * In 2018, Lavie launched 30 exclusive brand outlets and signed Bollywood actress Anushka Sharma as its brand ambassador. The actress was featured in the brand's new campaign in the same year.
- * Lavie started manufacturing operations in Nashik in 2019.
- * The brand achieved over two million units of annual sales in 2022.

“

Innovation lies at the core of whatever we do. Today, we are reimagining hair removal solutions for men and women across India and progressively across the globe.



**BOMBAY[™]
SHAVING
COMPANY**

**DEEPAK
GUPTA**

COO, Bombay Shaving
Company

Groomed to perfection

By 2025, the personal care segment is projected to touch Rs. 4030 crore, with an approximate 6% growth rate and 38 crore users. A brand that is already well-positioned for this bright future is Bombay Shaving Company, which has brought an 'experiential' dimension to the mostly functional Indian male grooming category through its regimens, customisation and omnichannel model.

An exciting start

Bombay Shaving Company was founded in 2015-16 by Shantanu Deshpande. And right from the beginning, the brand disrupted the Indian men's grooming category by introducing an 'experiential' dimension to it. With the launch of its first product—a single blade, precision safety razor designed to romance the rather mundane shaving experience for men—this then little-known D2C brand made its intention clear to reimagine grooming in India and provide stiff competition to the likes of personal care brands such as Gillette. "This was also a time when we saw immense change in India's socio-cultural landscape. A blossoming social media and digital ecosystem were giving rise to young, experimental and always-ready-to-express consumers. Bombay Shaving Company saw a large market with potential and moved swiftly to serve it," shares Deepak Gupta, COO, Bombay Shaving Company.

Along the way

By 2018-19, the online grooming space began to mature, giving rise to numerous Thrasio clones (Following a business model made famous by US company Thrasio, Indian start-ups were acquiring fast-growing digital-first brands and scaling their products) and brand obfuscation. "This is when Bombay Shaving Company made the bold move to bring in competitors Colgate-Palmolive and Reckitt Benckiser on board as strategic investors for their offline network and distribution might. Till today, Bombay Shaving Company remains one of the only companies in the world to have two FMCG behemoths on their cap table [a document that details who has ownership in a company]," conveys Gupta. On the backbone of this alliance and what Gupta describes as one of the strongest start-up sales teams in India, Bombay Shaving Company grew its retail presence to over 30,000 stores, with more than 10% share in each. In this way, Bombay Shaving Company transformed from a predominantly product-focused D2C and

e-commerce brand to an experience-driven omnichannel brand. "The transformation was complete when Lakmé Salon invited our brand to be the preferred product partner for its chain of over 300 salons across India. This was a significant landmark for us in our four-year journey," adds Gupta.

Through the Covid-19 pandemic in 2020-21, by leaning on its D2C channel as an insights platform, Bombay Shaving Company became a true enabler for people in difficult times. "We understood changing needs better than most, and so introduced innovative DIY solutions and fortified products with nourishing ingredients, and even launched another brand 'BSC Women' [now renamed as Bombae] to cater to the personal grooming needs of women. All these moves helped our brand get closer to people more than ever before," explains Gupta. Bombay Shaving Company's growth skyrocketed 5x in this period, and subsequently, the size and stature of the brand also increased. It employs over 200 people today.

Looking to the future

Bombay Shaving Company's revenue (year on year) grew 3x in 2021-2022, while its quarter-over-quarter (Q/Q) growth was 30%. Its customer base has grown to seven million households. The brand has a presence on major marketplaces such as Amazon, Flipkart, Nykaa and Myntra, as well as various quick commerce, e-grocery, social commerce, offline and B2B platforms. For order fulfilment, Bombay Shaving Company relies on its state-of-the-art, vertically-integrated warehouse, digitised supply chain with real-time tracking, and strategic logistic partners. "After building the initial momentum and reaching the first 1,00,000 customers through performance marketing, we are now giving impetus to brand and content marketing, to support our omnichannel capabilities," says Gupta.



BROWNIE POINTS

- * Bombay Shaving Company has made holistic grooming popular with superfoods-powered regimens across shaving, skin, hair, bath and body products.
- * In 2018, it brought on Colgate-Palmolive as a strategic investor and transformed itself into an omnichannel brand.
- * In 2021, Bombay Shaving Company brought on Reckitt Benckiser as a strategic partner. The same year, it became the official product partner of Lakmé Salons across India.
- * It has also signed Indian cricketer R. Ashwin and Bollywood sensation Alaya F as brand ambassadors.
- * This year, the brand became the official grooming partner of the Mumbai Indians team in the Indian Premier League.