ITC Limited Foods Division's Strategy for Affordable & Accessible products

Case studies & Examples of implementation on managing portfolio affordability & accessibility via various processes and strategies

1. Cost reduction via Local sourcing:

B Natural Portfolio - B Natural Fruit beverages, with goodness of Vitamin C & Fiber, are made with 100% Indian Fruit and 0% Concentrate. The entire range is crafted from Indian fruits sourced through local Indian farmers, from all across the country. To know more about B Natural: https://www.bnatural.in/



• Aashirvaad whole wheat atta - AASHIRVAAD Whole Wheat Atta is made from the grains which are heavy on the palm, golden amber in colour and hard in bite. AASHIRVAAD Atta contains 0% Maida and is 100% Sampoorna Atta. whole wheat grains are sourced, directly from the farmers.

To know more about Aashirvaad atta: https://www.aashirvaad.com/whole-wheat-atta.aspx



2. Reformulating existing affordable product in same price

An existing affordable product - YiPPee! Magic Masala Noodles which was launched
in September 2010, was later fortified with micronutrients (Calcium, Iron, Vitamin C,
Folic Acid) in the year 2020 while maintaining the same price. Ensuring that for
existing nutritious products, they are made available at affordable prices.





Biscuits:

Sunfeast Mom's Magic-fruit & milk, 58g pack is enriched with Vitamin B1, B2, B3, B6, B9, B12 and Calcium is available at an affordable price of Rs 10.





Sunfeast A2 Cow Milk Biscuits, 35 g and 74.25 g pack, enriched with 8 essential vitamins, iron and calcium is available at an affordable price of Rs 5 and Rs 10 respectively.





Sunfeast Marie Light Vita Orange, 60g pack, enriched with Vitamin B1, B2, B3, B6, B9, B12, A and D is available at an affordable price of Rs 10.



Sunfeast Marie Light Active Biscuits - With Iron & 6 Vitamins (Vitamin B1, B2, B3, B6, B9 & B12), 37 g and 71.7g packs are available at an affordable price of Rs 5 and Rs 10 respectively.



Glucose biscuits, enriched with vitamin A and Zinc, 21g, 44g and 96g are available at an affordable price of Rs 2, Rs 5 and Rs 10.







3. Not charging premium mark-ups on healthier products

Aashirvaad Svasthi Easy Digest Milk (EDM), West Bengal's first Lactose Free Milk in pouch, is aimed at providing solution for people facing milk indigestion issues. EDM is sold at a very affordable price point of Rs 29 for 500ml pouch pack. 1 glass of 200mL costs only 12 INR.



4. Servings at affordable price

Aashirvaad Multi-Millet Mix, 80g pack Enriched with jowar, bajra, ragi, navane
and quinoa is available to consumers at the most affordable price of Rs 15. it is
the most convenient way to add nutrition to your favourite dishes without
compromising on the taste.

Product	Market SKU	SKU Price	Recommended serve	Price/ daily serve (Rs)
Multi Millet Mix	80g	15	20g	3.75
Aashirvaad sharbati atta	1 kg	75	60g	4.5

"Add MM Mix pack to 3 parts of regular atta to make chapatis, parathas, dosas, etc".

Per serve MM Mix pack - 20g

3 Parts of regular atta – 60g (20*3)

Total Dry flour = 80g (20g+60g)

20g atta required per chapatti, hence 80g flour can be used to make approximately 4 chapattis

~4 chapattis can be made at an affordable price of Rs. 8.25.





• B Natural Juices 10/10 - B Natural juices 10/10 are made from Indian fruits procured from local farms across India. Comes in delicious Mixed Fruit and Guava variants. B Natural 10/10 Mixed Fruit with goodness of 10 fruits at just Rs 10.



<u>5. Pricing policy – benchmarking / setting price below market average for category</u>

Product	Market SKU	SKU Price	Recommended daily serve	Price/ daily serve (Rs)			
Gummies							
ITC - Candyman Jelimals Jelly Bears	32.5g/ 108g	10/50	2 jellies – 12g	~4/5			
Lead Competition	~120g	499	1 gummy -4g	~16			
ITC Jelimals Nutrition Plus	168g	250	1 gummy - 5.6g	8			
	Lactose Free	Milk					
Easy Digest Milk (fresh pouch)	500ml	29	200mL	~12			
Lead competition (tetra pack)	250ml	25	250 ml	25			
	Atta						
Aashirvaad Fortified Chakki Atta (+F)	10 kg	454	60g	~2			
Aashirvaad Select Sharbati Atta	10 kg	680	60g	4			
	Salt		L	<u> </u>			
Aashirvaad Salt Proactive (15% lesser sodium)	1 Kg	50	N.A.	N.A.			
Lead competition	1kg	50	N.A.	N.A.			

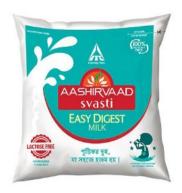
 ${\it Jelimals Jelly Bears Immunoz with \ Vitamin \ C \ \& \ Zinc, \ Jelimals \ Nutrition \ Plus}$







Easy Digest Milk (fresh pouch)



Aashirvaad Fortified Chakki Atta & Aashirvaad Select Sharbati Atta





Aashirvaad Salt Proactive



6. Distribution strategies

- ➤ Distribution and penetration basis the products which are affordable & healthier being easily available. One of the ways at ITC we map is the number of pin codes that we service and hence are able to provide our offerings directly to the consumers. 24323 pincodes we service right now via ITC store.
- ➤ E-Choupal (June 2000), the largest internet-based intervention in rural India is an initiative of ITC which has grown into an ecosystem of services that addresses diverse rural needs, from agri-extension and other farm-related offerings to retail avenues to insurance and healthcare. The objective of E-Choupal is to expand the network further and offer a complete package to serve the daily needs of rural customers & to develop the platform for the future.

Following the success of the e-Choupal, the Company launched Choupal Saagar, a **physical infrastructure hub** that comprises collection and storage facilities and a unique rural hypermarket that offers multiple services under one roof. **23 'Choupal Saagars'** have commenced operations in the states of Madhya Pradesh, Maharashtra and Uttar Pradesh.

- ➤ Distance of factories to shops 87 factories in total which shortens the distance to market.
- > ITC Food products present in atleast 56.3 lac (more than 50%) stores across the country. Our brands are present in atleast 17.4 Cr households (57% penetration per annum). Present in atleast 2 million outlets.
- 17 diverse supply chains enables quick and efficient availability and utilization of processed chains from acquiring raw material to final product delivery. Direct sourcing and direct linkage with farmers enables competitive sourcing and higher traceability.
- ➤ Efficient supply chain with 22000+ distributors and 9000+ stockists and a strong sales team of 28000+ with 300+ warehouses.







7. Providing easy to make/cook recipes

We provide healthier, simple and easy to cook recipes that can be adopted by all consumers across income segments. Many of our brand websites provide dedicated recipe section that helps consumers to create wholesome portion guided tasteful meals and convert their food purchases to best of its use. This also helps consumers to cook varied cuisines at the ease of their home kitchen and ingredients, thereby supporting affordability & accessibility.

AASHIRVAAD ATTA



https://www.aashirvaad.com/Recipes/RecipeList.aspx

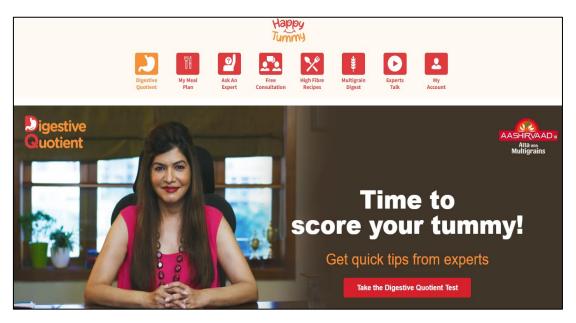


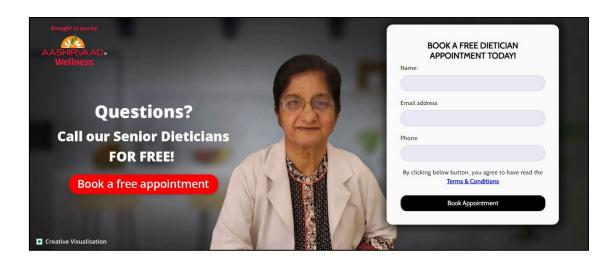
https://www.aashirvaad.com/img/cookbook.pdf

8. Affordability via consumer centric brand campaign

Aashirvaad Multigrain - Happy Tummy

Aashirvaad Multigrain created a Science Based – Consumer Led platform - 'Happy Tummy', which offers free and easy to access blogs, expert videos, high fibre recipes & meal plans and one-on-one consultations with senior dieticians.







Kolkata Veg Roll made from Aashirvaad Atta with Multigrains



Digestive Cookies made from Aashirvaad Atta with Multigrains



Soya Keema Calzone made from Aashirvaad Atta with Multigrains



How To Ensure Good Digestion If You Are Working From Home

Nutritionist Shonali Sabherwal explains the importance of maintaining good digestion while working from home.



Benefits Of Multigrain Atta

Nutritionist Anjali Mukerjee explains the various benefits of Multigrain Atta.



Fitness Plan For Good Digestion

Nutritionist Anjali Mukerjee explains the importance of maintaining a fitness plan to ensure good digestion.

