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August 19, 2016

**The Bombay Stock Exchange Limited**

Corporate Relations Department  
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Mumbai 400 023.

**The National Stock Exchange of India Ltd**

Exchange Plaza, 4<sup>th</sup> Floor,  
Bandra-Kurla Complex, Mumbai 400 050

**Scrip Code : 532424**

**Fax Nos : 22723121/ 22722037 /  
22722041/ 22722061/  
22722039 /2272 3719**

**Fax No 26598237/38**

Dear Sirs,

**Sub: Presentation to Investors**

We enclose herewith a presentation which is self-explanatory.

**For Godrej Consumer Products Limited**



**Ramesh Iyer  
Dy Company Secretary**





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# GCPL AFRICA

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August 2016

# Disclaimer

*This release / communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments in India and overseas, political instability, change in international oil prices and input costs and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward looking statements made herein shall be realised. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward looking statements as may be required from time to time on the basis of subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.*

# Overview

- Dry Hair Extensions
- Wet Hair Care
- Household Insecticides

**GCPL Africa**  
**Dry Hair Extensions**

# Types of dry hair extensions

**Braids**



**Weaves**



**Dreads**



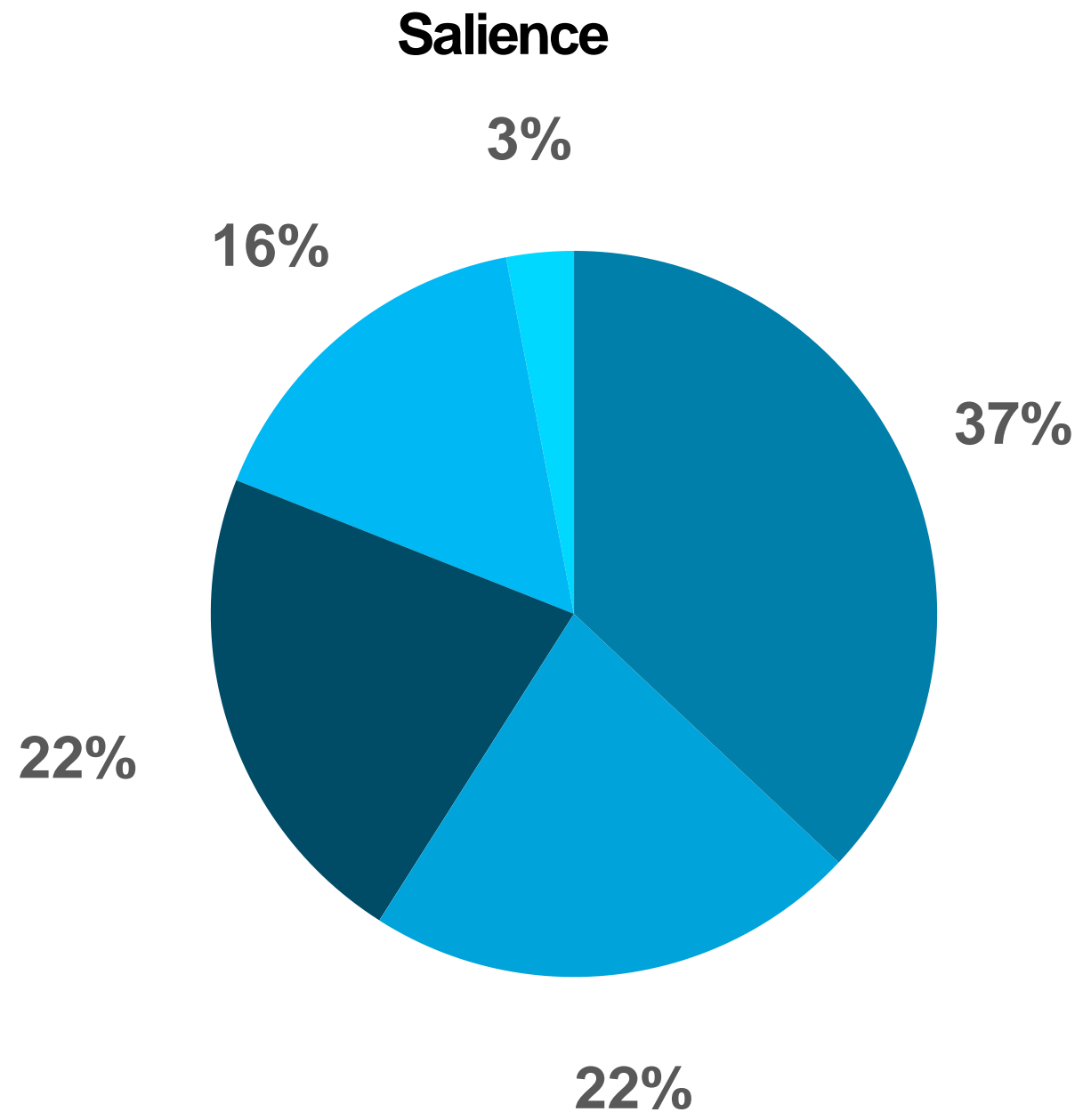
**Wigs**



**Ponytail Drawstrings**



# Dry Hair Extensions market overview



- Braids
- Weaves
- Curls
- Human Hair
- Wigs

\*Source: Internal assumption based on size of female population, penetration and usage frequency

# **Deep Dive – GCPL Dry Hair Extensions**





# DARLING®

PASSION FOR HAIR

*Trendsetting*



NESCAFÉ



*Culture*

*African beauty*

*Femininity*

*Fashion*

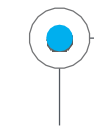


Leading pan-African brand with a **strong, trusted heritage**  
and deep understanding of ethnic hairculture

Used by over **100 million** African consumers

**How did we  
do it?**





**Upfront**  
investments and  
strong  
in-market execution



Focus on  
**innovation**  
led growth



Leveraging  
**digital**



**Operational**  
excellence  
and **agility**

# Upfront investments and strong in-market execution

## Fashion inspiration



- Brand exposure to over 6 major media incl. influencers and consumers: +1000 people in 4 days
- R1.2m free media coverage (PR)

**OBJECTIVE:**  
Build mega brand effect and credible fashion inspiration

## Trade Support



- Quarterly promos in +200 traditional retailers nationwide
- Activations create hype to engage with consumers and stylists

**OBJECTIVE:**  
Create brand awareness and drive sales

## Salon Engagement



- 600+ stylists upskilled and empowered in workshops
- Branded salons

**OBJECTIVE:**  
Build professional advocacy

## Brand Building



- Branded 450 salons in Gauteng and KZN
- Branded taxis and delivery vehicles
- Media and digital initiatives

**OBJECTIVE:**  
Build brand awareness

# Upfront investments and strong in-market execution

Competitive investments in brand building

## Soweto Fashion Week



# Upfront investments and strong in-market execution

Competitive investments in brand building

## FRIKA – fashion focussed

- Mercedes Benz Fashion Shows
- Ethnic Hair Shows
- Cape town Fashion Show
- Durban Fashion Show



# Upfront investments and strong in-market execution

Innovative, cost effective mass communication and brand building

Branded truck and trailers create mobile billboards covering almost 200,000 km annually





# Upfront investments and strong in-market execution

Excellence in in-store execution

## In-store programmes



# Upfront investments and strong in-market execution

Leading on ground consumer engagement

On ground activations – workshops, product demos



# Upfront investments and strong in-market execution

Strengthening salon engagement

Academy programmes



# Upfront investments and strong in-market execution

Strengthening salon engagement

Workshops and product demos



# Upfront investments and strong in-market execution

Effective communication



# Focus on innovation led growth

## Focus on NPD



Michelle O



Mpume Galaxy

## FRIKA Ombre



## FRIKA Grey Braids



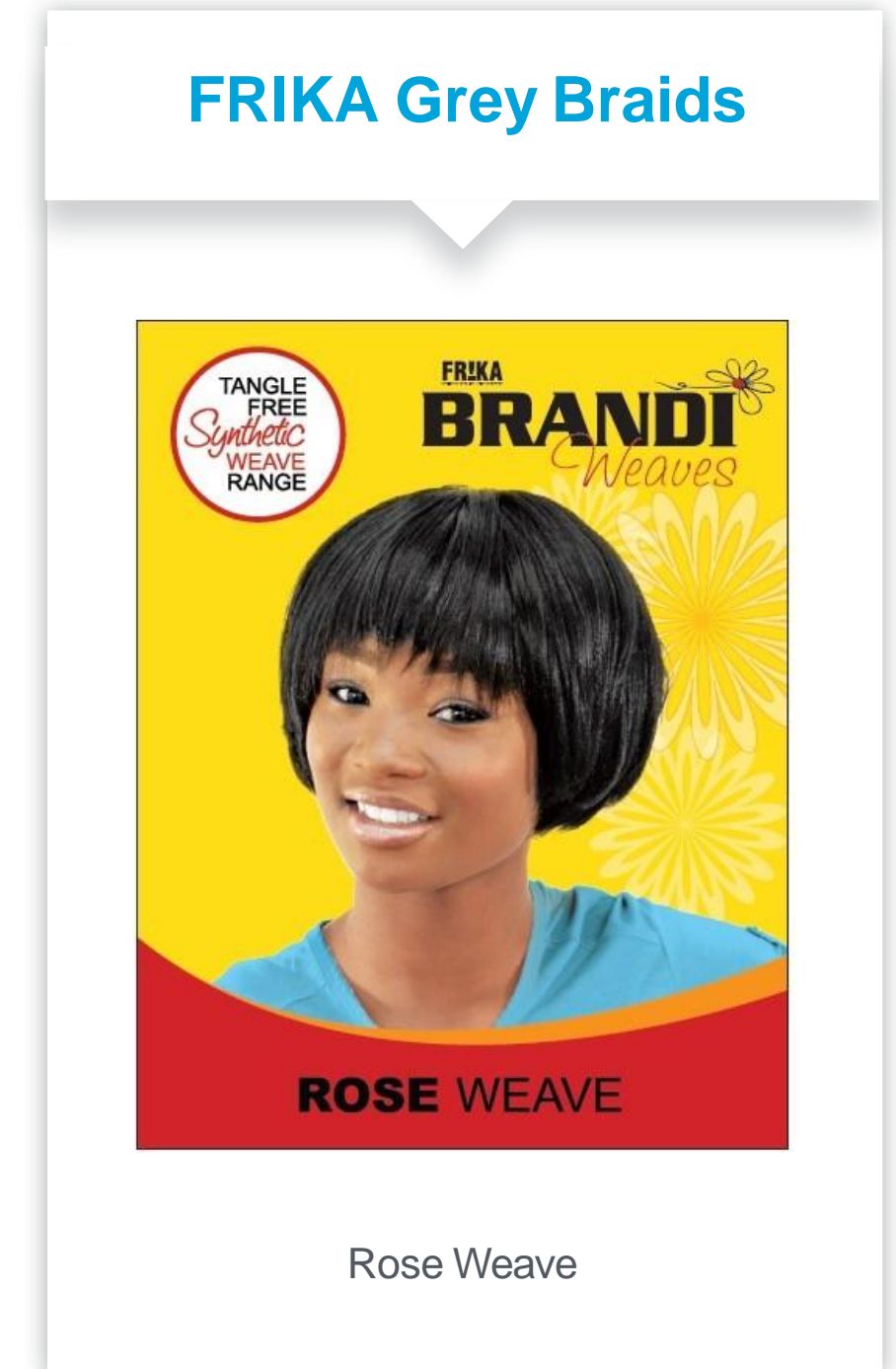
# Focus on innovation led growth

## Human Hair Blend



# Focus on innovation led growth

## Yaki Ombre Styles





# Leveraging digital

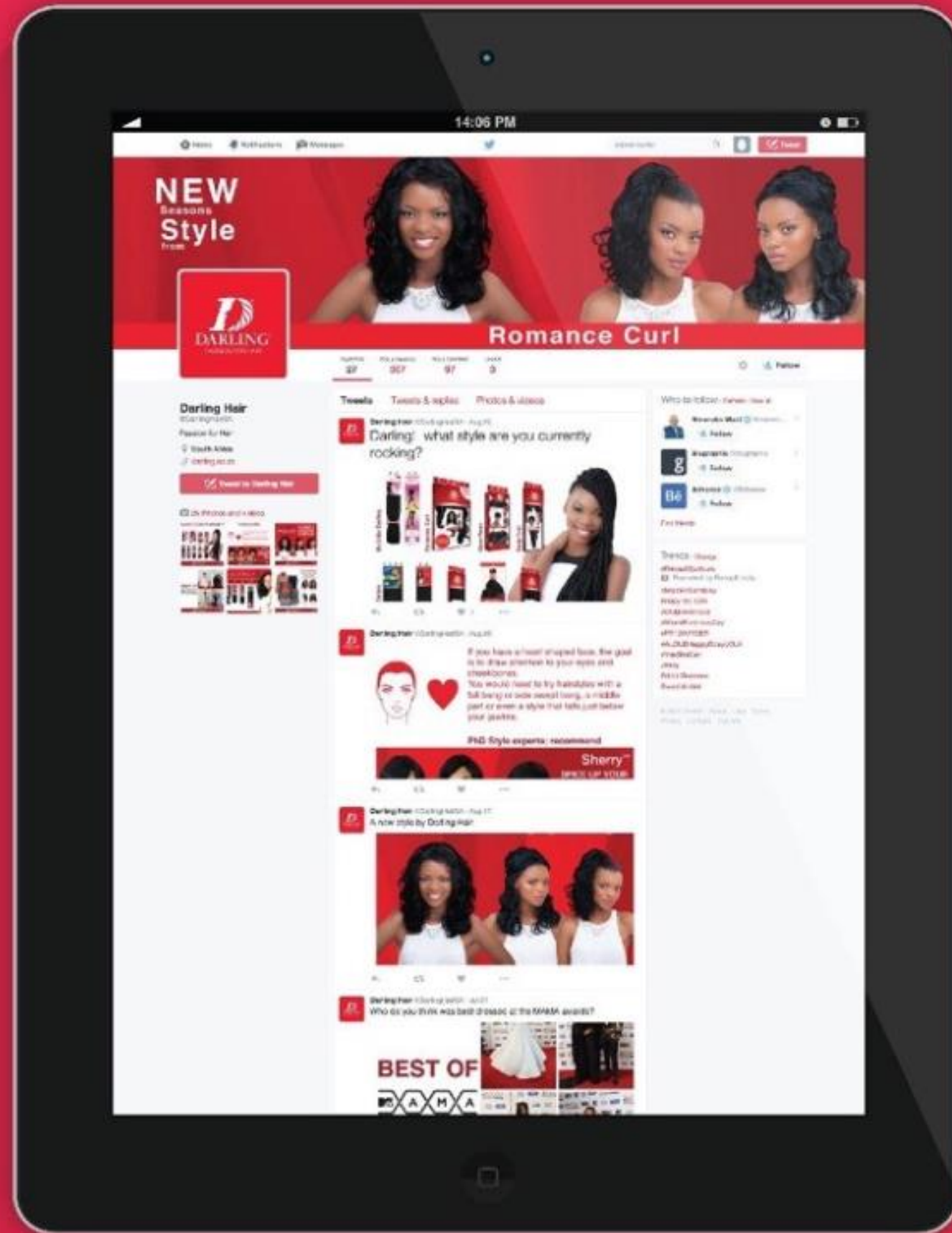
Planning your hairstyle  
was never this easy.



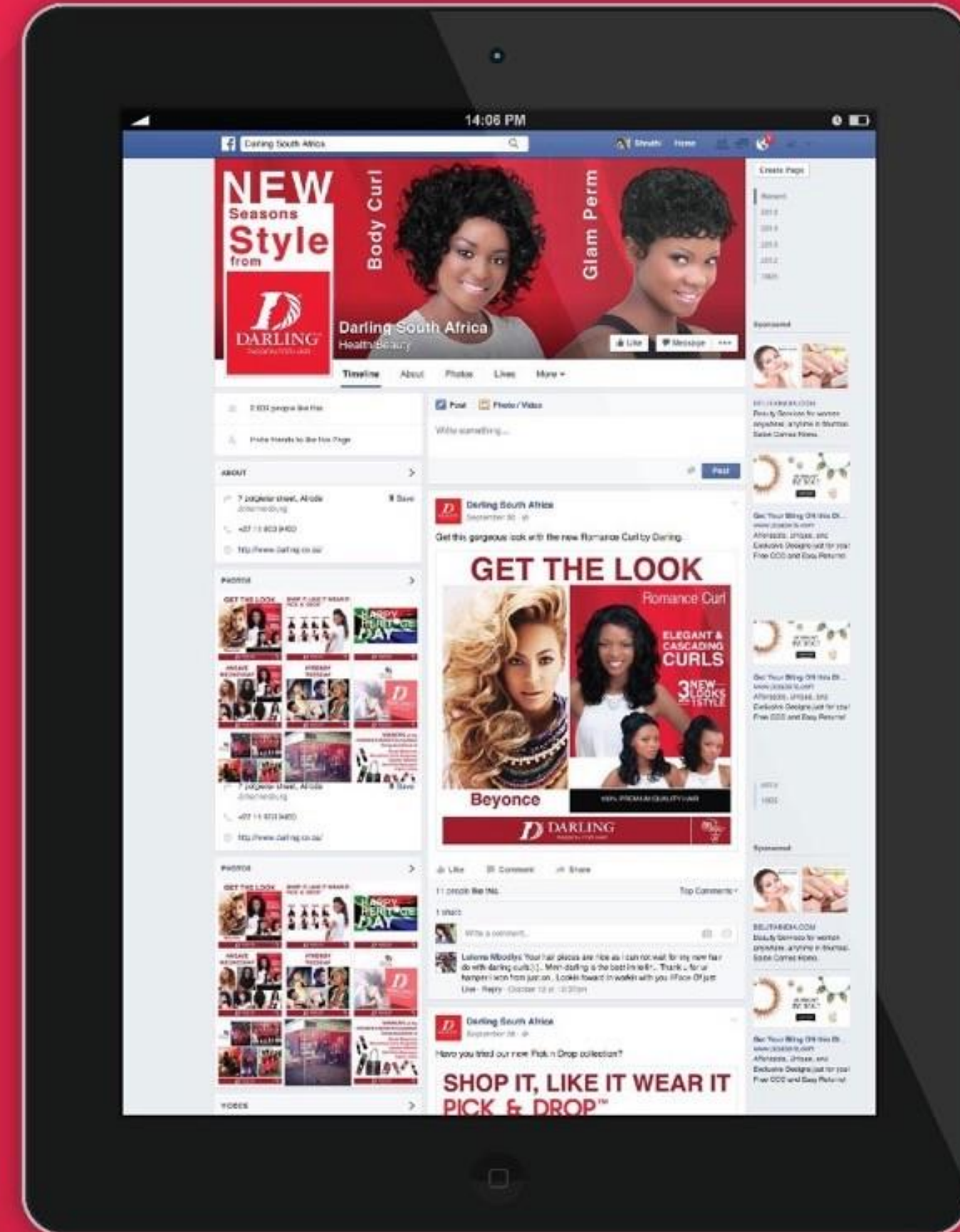
**Get the app & be your own stylist!**



# Leveraging digital



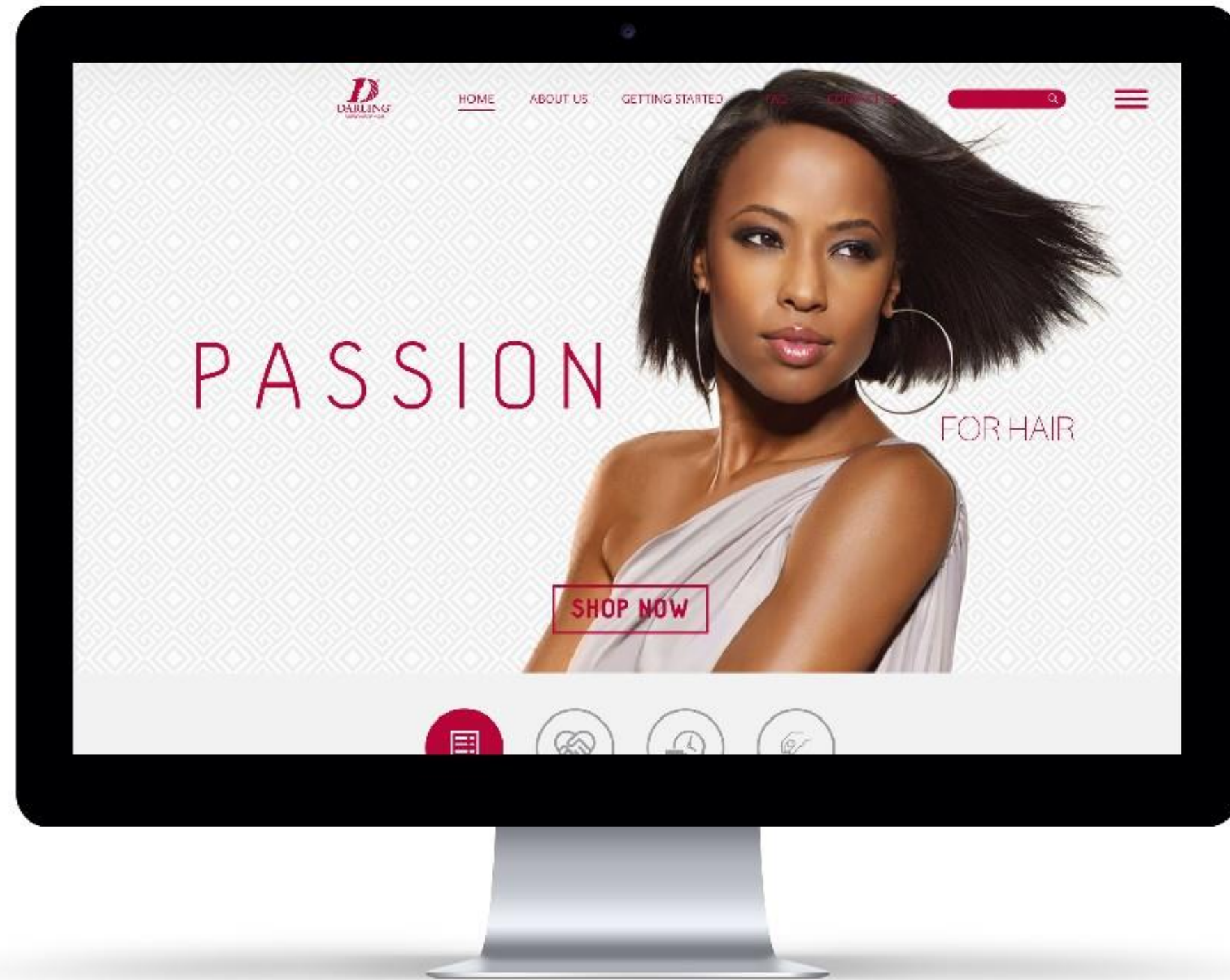
Social strategy - Twitter



Social strategy - Facebook

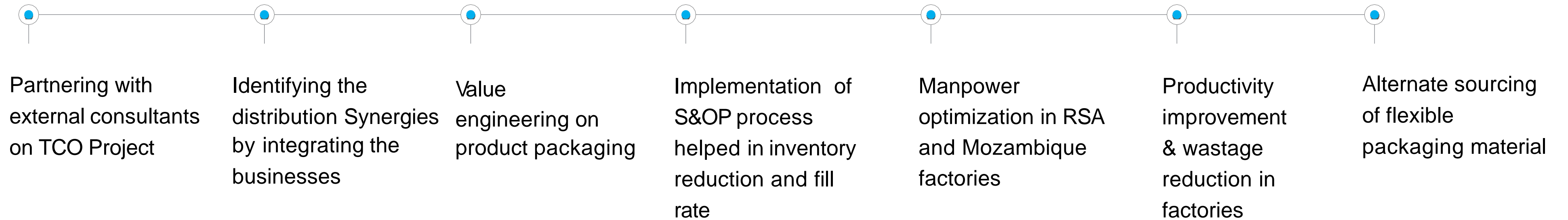
# Leveraging digital

## New look sneak preview



# Operational excellence and agility

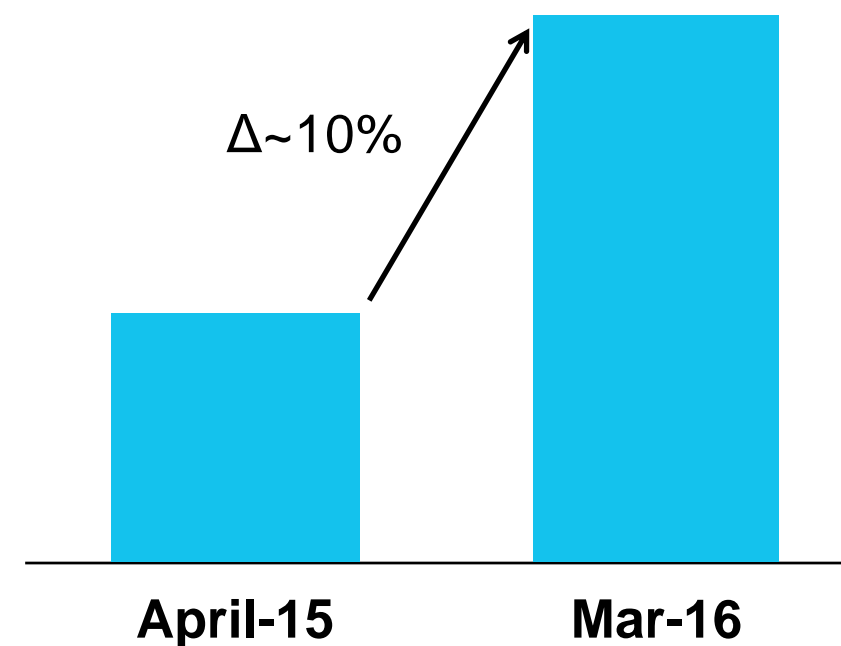
## Making our global supply chain best-in-class



Cost savings (USD m)



Improvement in customer fill rates



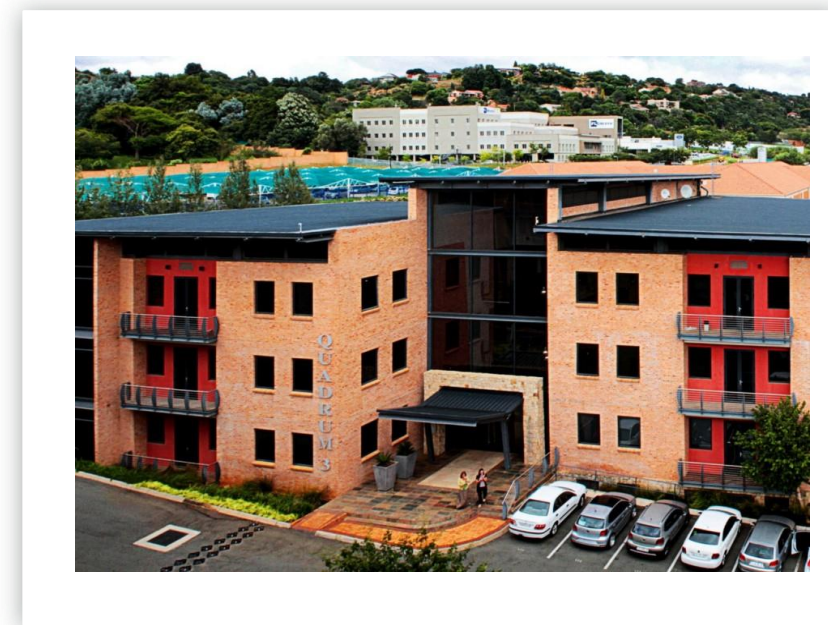
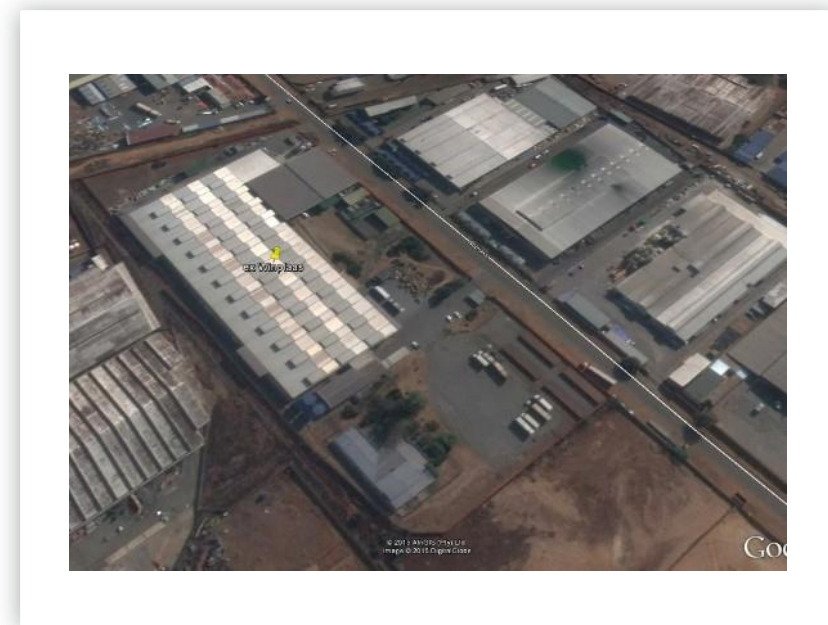
# Operational excellence and agility

## Backward integration

- **PP fibre manufacturing facility with best in class productivity and yield per kg of PP resin**
- **Good infrastructure for road transport and sea ports**
- **Well connected to Sub Saharan African countries by sea**
- **Stable source and availability of PP resin**

# Operational excellence and agility

Plans to further expand capacities



**GCPL Africa**  
**Wet Hair Care**

The world has about 1 billion people of African origin, predominantly located in Sub Saharan Africa, US and the Caribbean





# The hair care category for women of African descent can be divided into two broad segments - Dry Hair Care and Wet Hair Care



**Solution Desired**

- Transform looks
- Prevent damage to hair
- Nourishment for scalp and hair



## Dry Hair Care

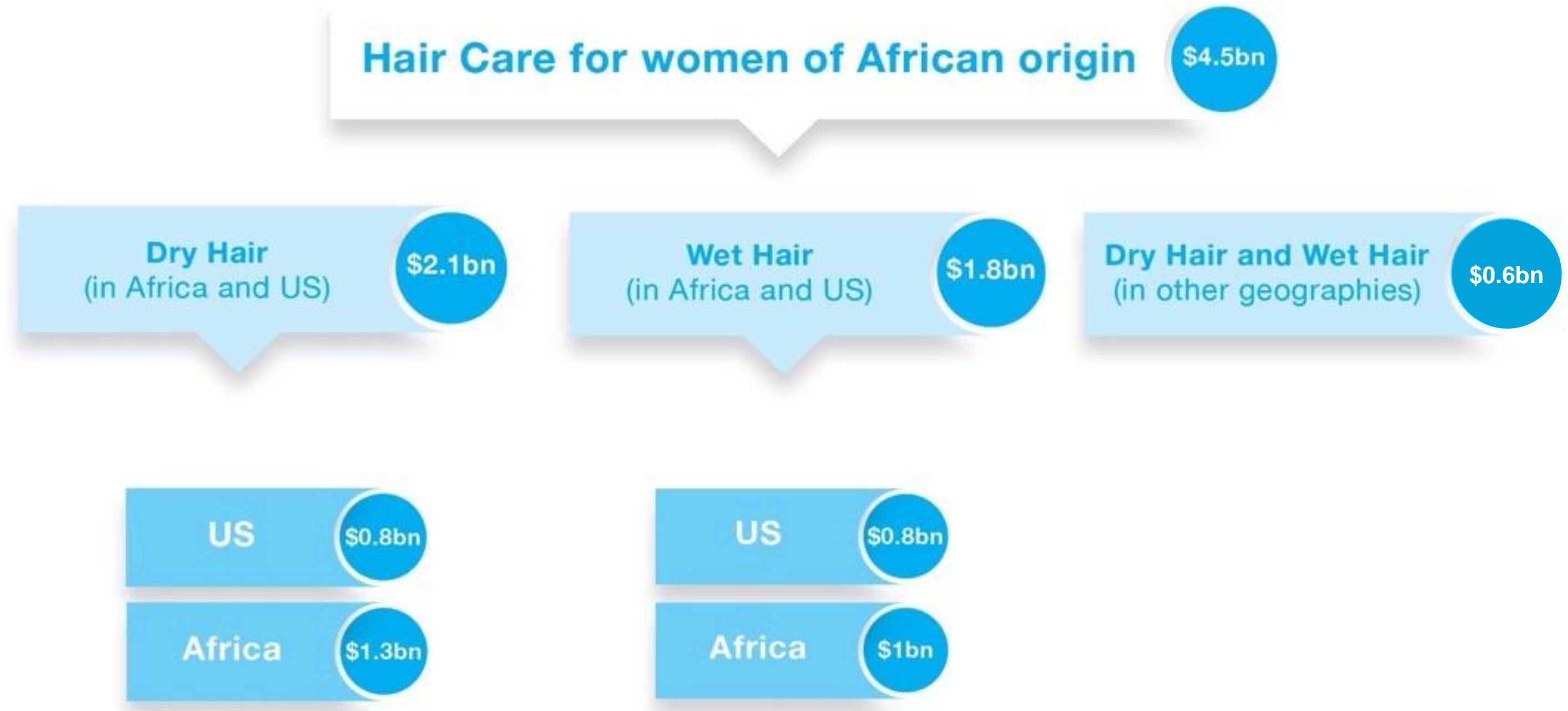
Braids	Weaves
Value Added Categories	

## Wet Hair Care

Relaxers	Styling
Maintenance	Shampoos*

Note: \*Shampoos includes only brands specifically targeted to ethnic hair

# The Hair Care category for women of African origin holds significant potential - unique, fragmented, but estimated to be \$ 4.5 billion, globally



# The Wet Hair Care category

## Relaxers



Relaxers are used to make curly hair more manageable through chemically straightening

## Styling



Styling products nurture hair and create new textures, construct shapes and provide flexible hold and shine

## Maintenance



African hair, which is fragile by nature, requires extensive maintenance; maintenance products (including conditioners and special treatment) keep hair hydrated and the scalp well nourished

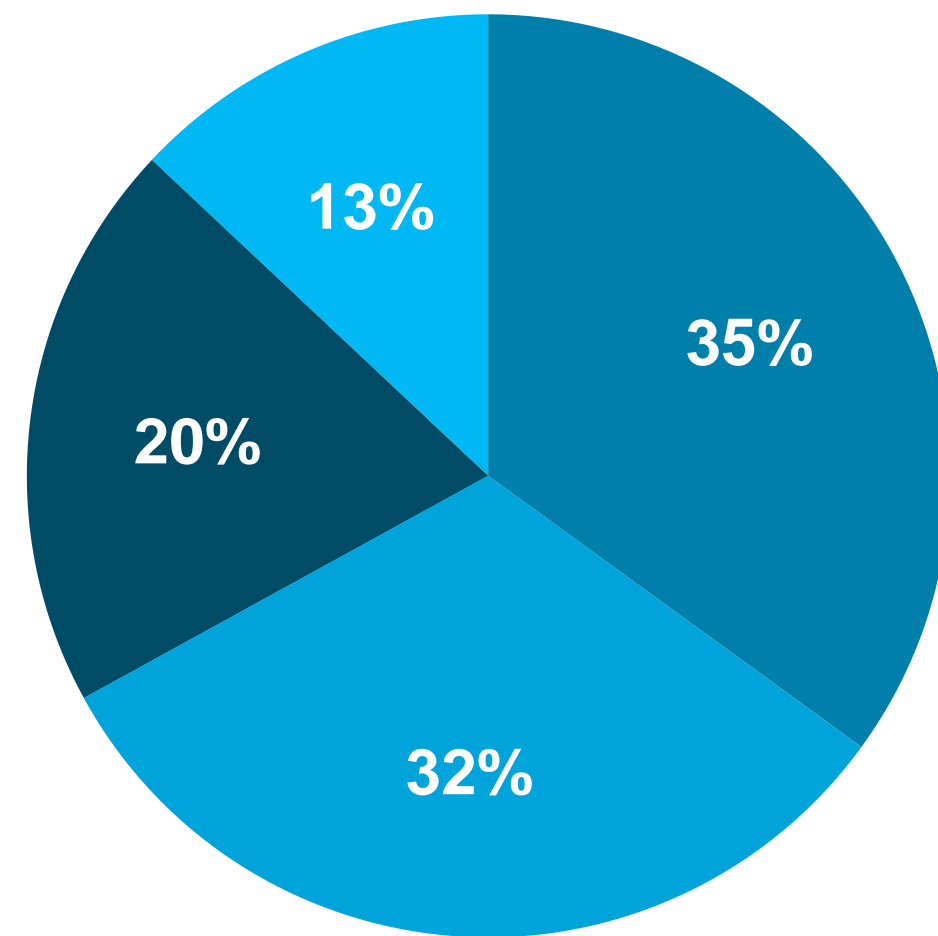
## Shampoos



African women use both mainstream shampoos, as well products specifically designed for their hair

# Relaxers and maintenance are the biggest sub categories

Africa



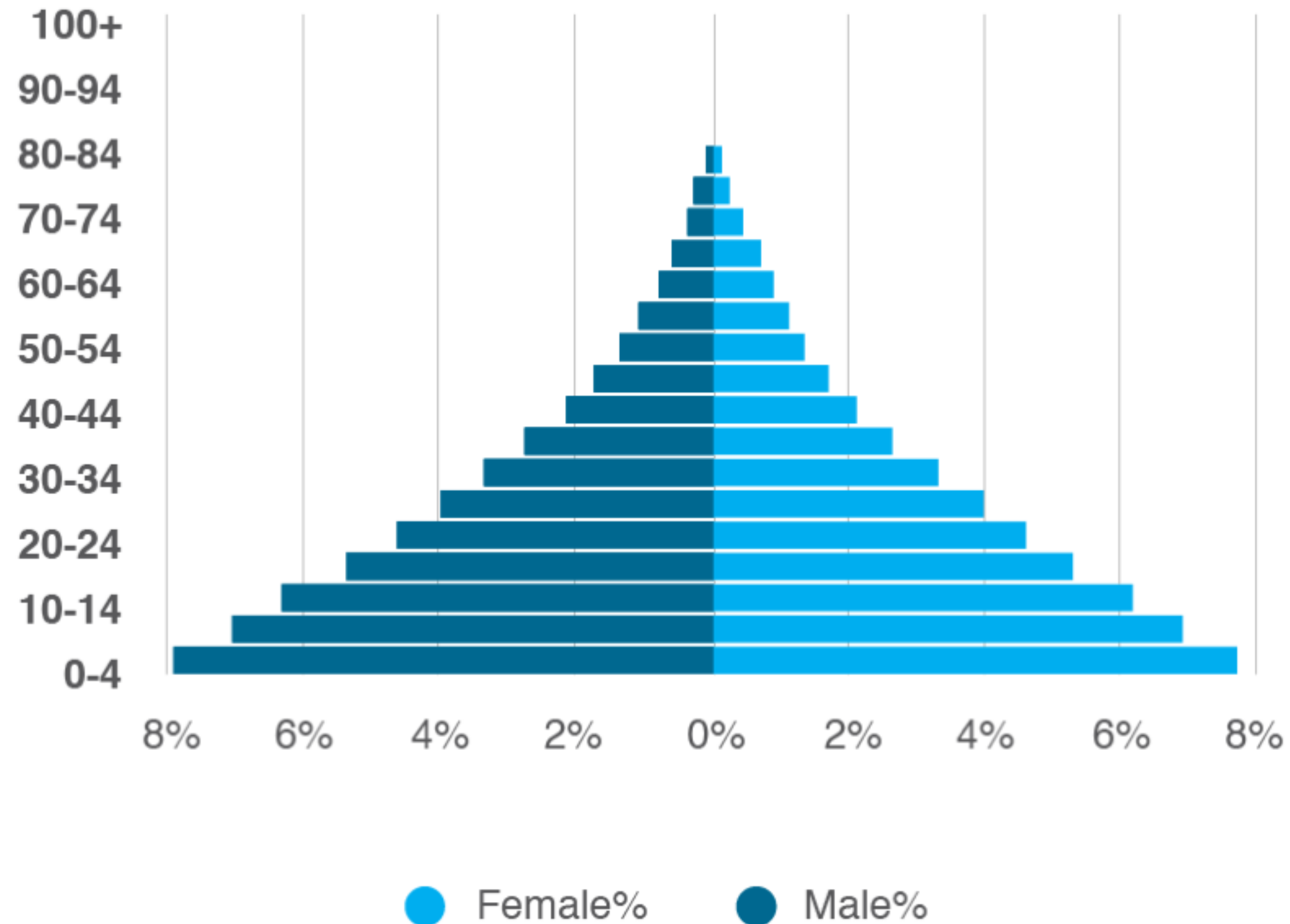
● Relaxers   ● Maintenance   ● Shampoo   ● Styling

Key markets (Nigeria, Kenya, SA) contribute to ~40% of the total category

Value/Mass segment is dominated by local players

Premium space is dominated by imported players

# African consumer in getting younger and growing in size



**The average age of consumer using wet hair products is steadily coming down**

**More consumers are coming into the category than exiting fuelling organic growth**

# SON portfolio gives us a wide variety of choices to adapt to African consumer



Salon brand



Premium brands



Kids brands



Value brand

**GCPL Africa**  
**Household Insecticides**

# The problem of pests is more serious in Sub-Saharan Africa

**Diarrhoeal diseases & Malaria**  
are among top 5 killers in Africa

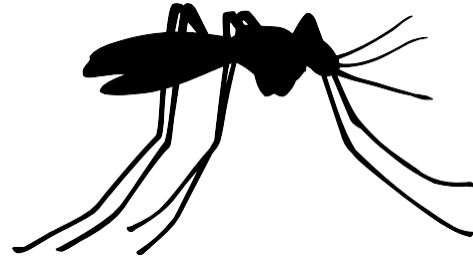
**644,000** deaths due to Diarrhoea  
**568,000** deaths due to Malaria (2012)

**Vs.**

**28,575** reported cases  
**11,313** deaths due Ebola (Oct 2015)

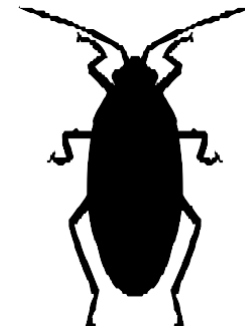


## And their impact beyond just spreading diseases...



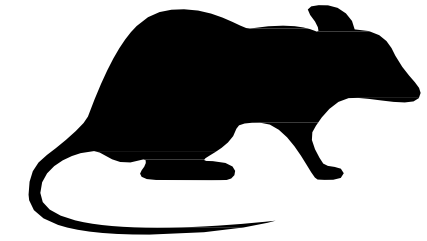
**Mosquitoes**

- Causes malaria and even death
- Disturb sleep & peace of mind
- Bites causes itch & allergies



**Roaches**

- Filthy, leave faeces everywhere, causes diseases
- Indiciate unclean house and surroundings, causes social embarrassment
- Considered most difficult to get rid off



**Rats**

- Causes diseases
- Destroy food, clothes & furniture
- Indicate poor living conditions leading to social embarrassment

Source : U&A study, Nigeria (quantitative research)

# None of existing formats solve consumers' concerns of safety and convenience

## Format

## Positives

## Limitations

## How is it used



Instant Action

Toxic smell forcing people to stay out  
Cause cough, irritation  
Inconvenient regimen  
Expensive

1-2 times a week  
Stay out for at least 30 mins post spraying  
Supplemented with nets/coils



Affordable  
Lasts for 8 hrs  
Mostly sold loose

Smoke, ash  
Work only against mosquitoes

In evenings – daily or once in 2 days  
May leave room for some time  
Supplemented with nets



Distributes free/  
at very low cost

Suffocating  
Limited coverage

# OUR HI PLANS

# Drive mosquito category consumption develop and own the non mosquito market



**Innovation**  
– products developed  
for African markets



**Distribution**  
– build on our existing,  
strong infrastructure



**Supply Chain**  
– enable competitive  
cost structure

# Innovation – products developed for African markets



**Affordable**

– lower cost per night relief

**Effective yet safe**

– new gen actives

**Easy to use**

– innovative formats

**Profitability**

– differentiated high margin formats  
– innovative formats

# Distribution – build on our existing, strong infrastructure



Leverage our salon reach program for low-cost sampling and cross-sell

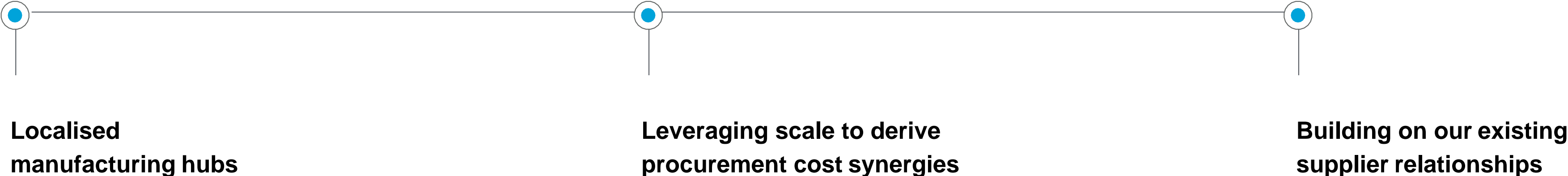


Strong in market execution



Build distribution & penetration beyond port cities  
Drive direct coverage of key trade channels : groceries, OTC

# Supply chain – enable competitive cost structure





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**Thank You**

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