



Tolaram Group

TOLARAM GROUP

presents

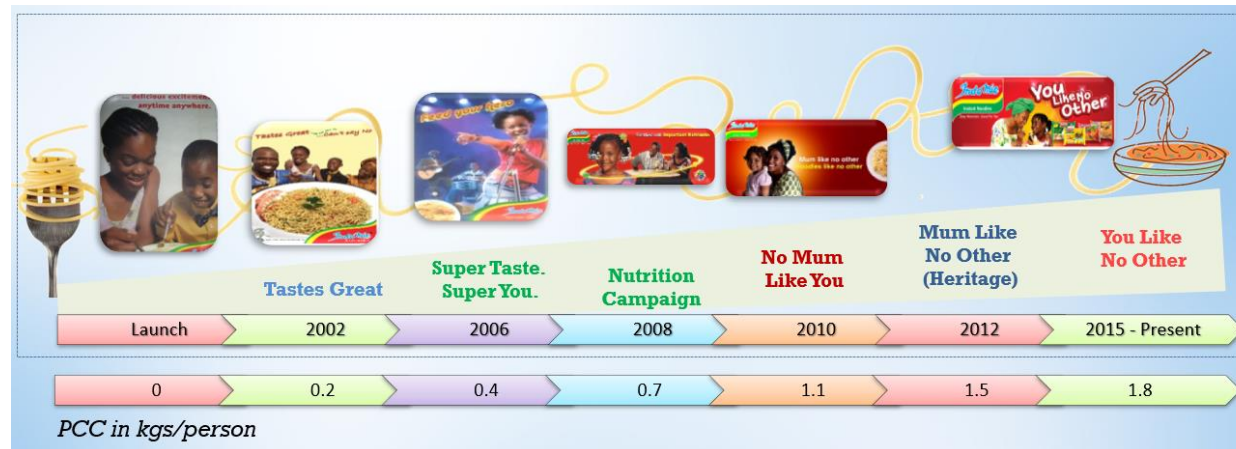
STRATATHON

A Strategy Case Study Competition

Indian Institute of Management Lucknow

Indomie Instant Noodles came to Nigeria in 1988 when Mr. Haresh Aswani, Tolaram Group, MD imported the first container from Indonesia. First manufacturing plant was set up in 1996 by De-United Foods Ltd (a subsidiary of Tolaram group responsible for manufacturing and marketing of Indomie) and since then, Nigeria, which was a typical non-noodle eating nation, has come a long way and is now the 11th largest nation in the world in terms of per capita consumption of instant noodles.

The story of Indomie is synonymous with developing the instant noodles category in Nigeria so much so that Indomie has become a generic brand name for the category in general. Since its inception in the country, Indomie has become the favorite food brand among the children aged 4-12 years and their corresponding mothers. All marketing campaigns (ATL/BTL) have been focused towards this target audience with brand positioning around being the loving and caring brand. Indomie is also revered for some of its exemplary campaigns and commercials with great recall and strong emotional engagement (see TV commercials on Indomie Nigeria YouTube channel) among its target audience.



IMG 1.1: The progression of thematic campaigns targeting kids (4-12 yrs) and mothers

With a dominant market share of 61% and strong brand equity index (BEI is a measure of brand performance which measures how often consumers are ready to buy and recommend the brand and what is their willingness to pay premium for the brand) of 7.6, Indomie has been able to grow the category penetration from almost nothing to 80% currently (category penetration is defined as number of households who consumed instant noodles in last 3 months).

With such strong brand parameters and a highly penetrated category, the marketing managers of Indomie were looking to find the roots of the next phase of Indomie growth story. While analyzing the consumer research data from AC Nielsen and Kantar World Panel, the marketing managers of Indomie tumbled upon a striking piece of insight. 75% of consumption of Indomie was happening amongst consumers aged less than 18 years.

Moreover, there was a clear indication that though Indomie is a very popular brand and top food choice among kids, there was a clear attrition of consumers from category as they passed the age of 18 years. Constituting 52% of the Nigerian population, Indomie was clearly losing out on a huge chunk of consumers who were switching to other food categories after having relished Indomie during their childhood.

Looking at this huge opportunity, the marketing managers of Indomie now decided that they now clearly need to talk to this population segment to grow the category and the brand to the next level. They narrowed down this population segment to the young adults (18-25 yrs of age) to build on the relationship with the young generation. They, however faced a very difficult and pertinent predicament: how to target this new group of young adults while retaining the loyalty among their primary TG: kids (4-12 years) and their corresponding mothers.

As a newly appointed marketing manager of Indomie Nigeria, you are required to come up with an exhaustive and robust marketing strategy including ATL and BTL activities to solve this issue. You can do research and quote examples of how other brands have achieved a similar feat across the globe. Feel free to use various primary/secondary data and kindly mention the source.

However, you can also drop us an email to know the answers to any specific question that you might have to solve the case. We have also provided a brief of Tolaram group to help you understand the group better.

Submission Guidelines

- The deadline for submission is 2100 hrs, Oct 30, 2018

Round 1:

- A 1-page executive summary has to be submitted. Use of tables, etc. is allowed
- Additional information from online and offline sources can be used to solve your case and is encouraged in order to make your plan more implementable
- Font style to be used is Arial and font size should be 10
- The submission should be a PDF file at dare2compete.com
- Naming convention to be followed: <Team Name>_<College Name>_Stratathon_R1

Round 2 (on campus final round):

- The final presentation will be a Power-point deck (.pdf/.ppt/.pptx)
- The presentation should not be more than 5 slides
- Further details will be informed in due course

Evaluation Criteria

- Exhaustive understanding of the case scenario and context
- Depth of analysis of industry & key challenges - Novelty, feasibility and practicality of ideas proposed
- Structure of presentation & clarity of ideas conveyed

APPENDIX



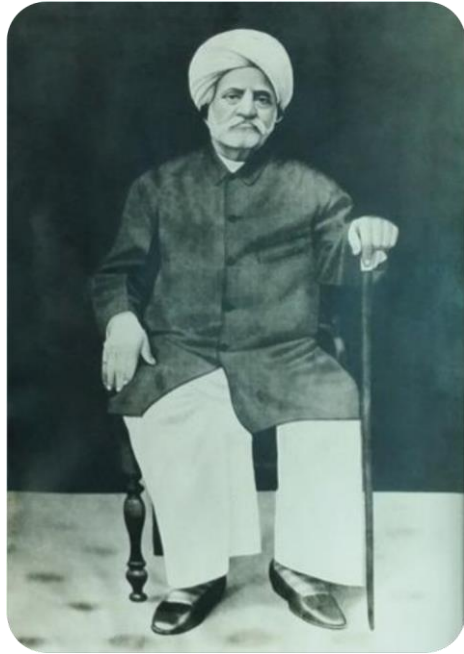
Tolaram Group

An Introduction



I. Global Introduction

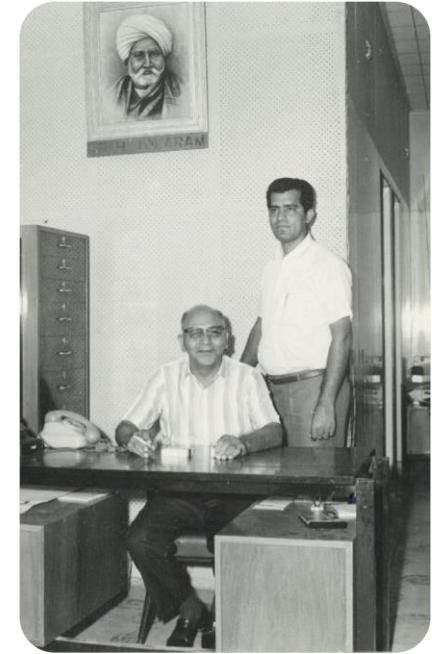
History



Seth Tolaram
was a physician in
Sindh province, India
(now Pakistan)



Khanchand Vaswani (Seth
Tolaram's youngest son) migrated to
Malang, Indonesia and established
Tailor Tolaram in 1948



Mohan Vaswani
(Khanchand Vaswani's son)
joined the business in 1957
and is the current Chairman

TRUST

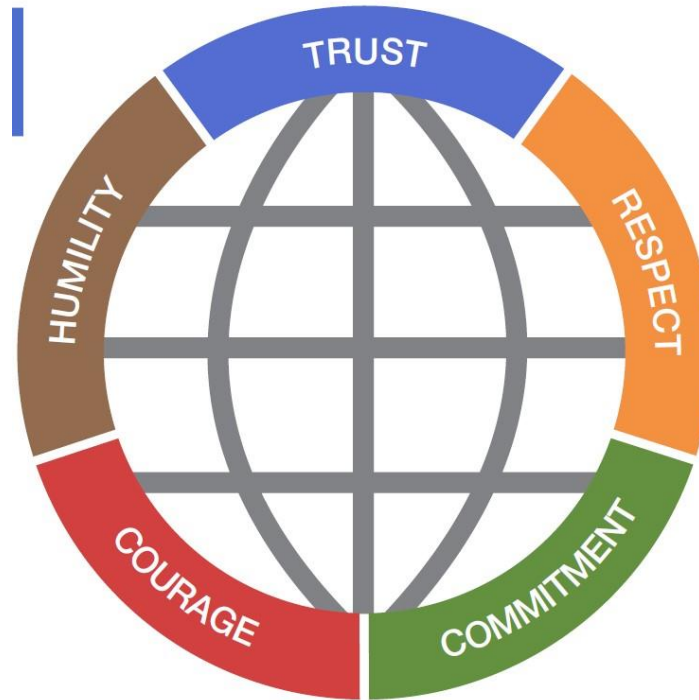
we are honest and direct in our dealings and always act with transparency

HUMILITY

we always endeavour to keep learning; we always let our actions speak louder than our words

COURAGE

we want to surround ourselves with bold thinkers, and to always act with conviction



RESPECT

we respect our heritage, our stakeholders, and our universe; we always seek a win-win outcome

COMMITMENT

we are committed to being sustainable over the long-term through focus and depth in everything that we do

Our Vision

To create sustainable value for all our stakeholders

Our Vision & Mission



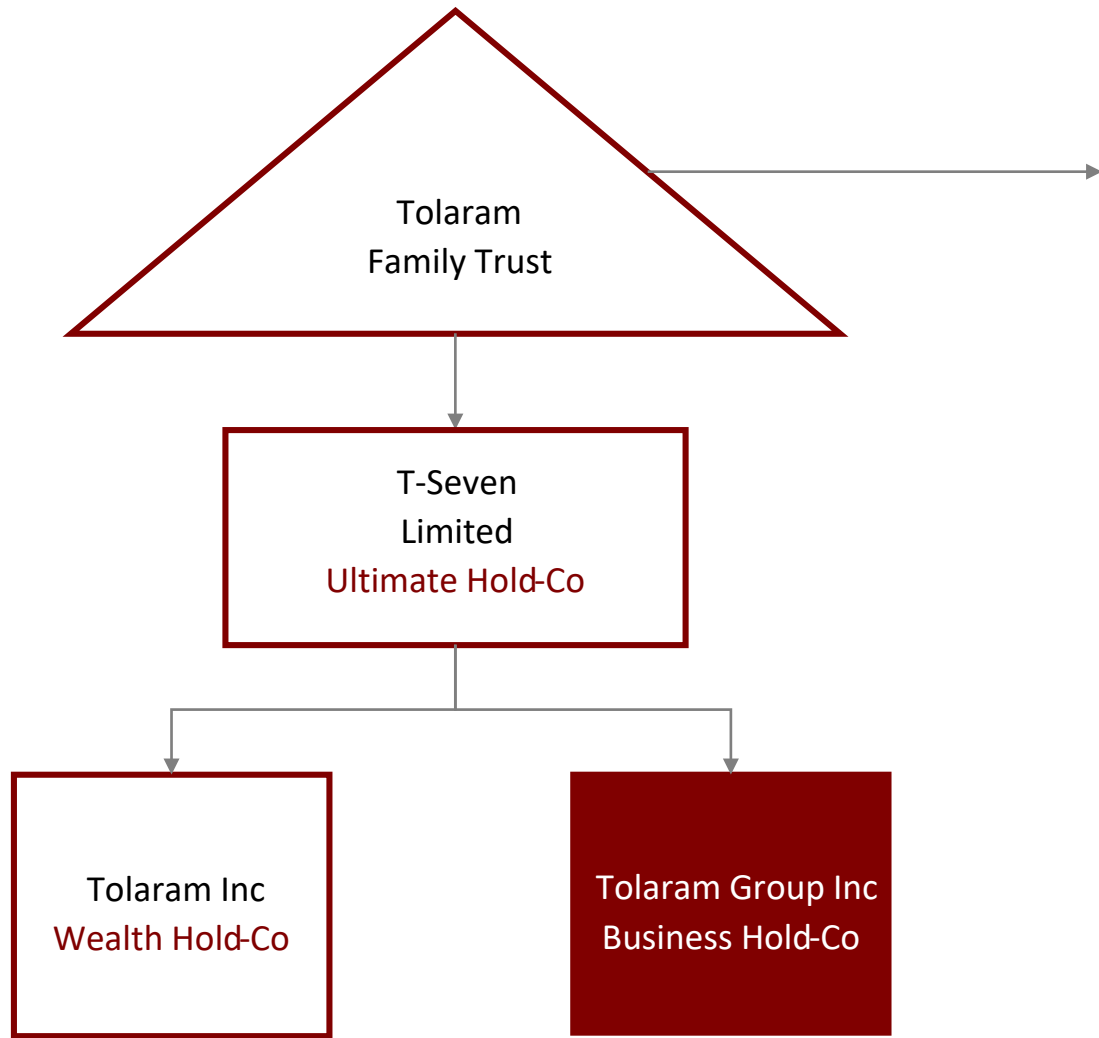
Our Mission

To be a Consumer Goods & Services Leader in Africa and Emerging Asia










Our Mission

To be a Consumer Goods & Services Leader in Africa and Emerging Asia



Professional Executives

A grid of professional executives and ownership information. The grid is enclosed in a dashed border. It features six portraits of individuals arranged in three rows and two columns. The names of the individuals are printed below their respective portraits. In the center of the grid, there is a red oval containing the text '75% Seven Family Trusts' and a blue rounded rectangle containing the text '25% Ishk Tolaram Foundation'. A blue plus sign is positioned between these two central boxes.

 Vishu Adnani	 Mohan Vaswani	 Sajen Aswani
 Sonny Aswani	75% Seven Family Trusts	 Haresh Aswani
 Raj Vaswani	25% Ishk Tolaram Foundation	 Tom Vaswani



1948

Tailor Tolaram founded

1950s

Expansion into Textiles Trading

1970s

Entry into Textiles Manufacturing and internationalisation of business

1980s

Diversification of businesses into Consumer and Real Estate

1990s

Further country diversification

2000s

Forays into Digital Services, Energy, Infrastructure

2010s

Brand builders across
Consumer Goods & Services

- Global **HQ in Singapore** with corporate offices in Jakarta and Lagos
- Group **turnover in excess of \$1bn** and **over 11,000 employees** worldwide
- Two primary sector verticals: **Consumer** and **Infrastructure**
- Presence in **Nigeria, Ghana** and **West Africa** for over four decades – deep knowledge of the local terrain and culture
- Recently launched operations in **South Africa** and **Egypt**, with plans underway to expand into **Kenya** and East Africa



Consumer Goods



Consumer Services

vconnect

"Uber" for Consumer Services



Data-Driven Consumer Finance

Infrastructure



Lekki Deep Sea Port



Lagos Free Trade Zone



MBH Power (Transmission & Distribution EPC)



Salim Group (Indonesia) entered into a 50-50 joint venture with Tolaram in 1995. The JV entity Dufil develops, manufactures, and markets instant noodles under the Indomie and Minimie brand names in Nigeria and Ghana. Apart from instant noodles, the JV produces a diverse product portfolio including snacks, edible oils, pasta and flour.



Arla Foods (Denmark) placed its current and future business for West Africa in a 50-50 JV with Tolaram in 2014. The JV entity TG Arla imports and packages dairy products under the Dano brand name.



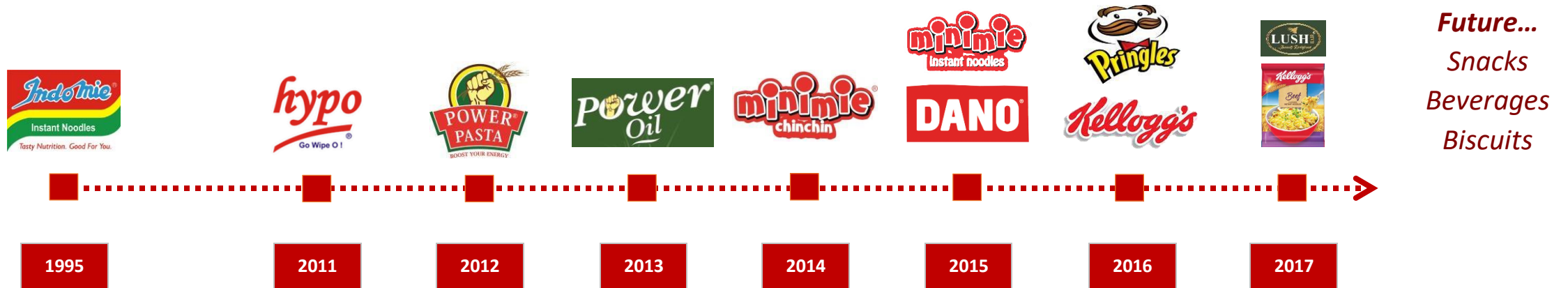
Kellogg Company (USA) entered into a 50-50 JV with Tolaram in 2015 to expand in the cereals and snacks categories in West Africa. In addition, the JV develops, manufactures and markets Instant noodles under the Kellogg's brand name across Africa and Asia. As part of the JV, Kellogg Company also acquired 51% of our distribution-co in Nigeria.



Africa – Consumer Strategy



Evolution of Products in Market



Going forward in Nigeria and Ghana...

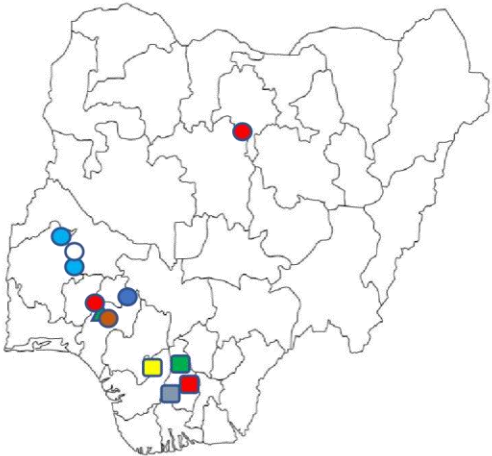
- Continue to dominate in instant noodles; current market share is 70%+
- Continue to establish a strong position in the snacks category
- Enter new product categories with low market penetration and/or high growth potential

Going forward In other major African markets...

- Introduce product base into new African markets; South Africa and Egypt recently launched

- Future expansion into East African markets, starting with Kenya

We have invested in world-class integrated manufacturing facilities to enable cost-efficient production and the development of truly local products



Seasoning factory, Ota



Palm Oil factory, LFTZ



Carpet factory, Ikorodu



Noodles factory, Kaduna



Cereal Factory, LFTZ



Flexi Packaging factory, LFTZ



Noodles factory, Ota



Pasta factory, PHC



Noodles factory, Egypt



Snacks factory, PHC



Milk Packaging factory, LFTZ



Bleach factory, Ikorodu



Pasta factory Ghana



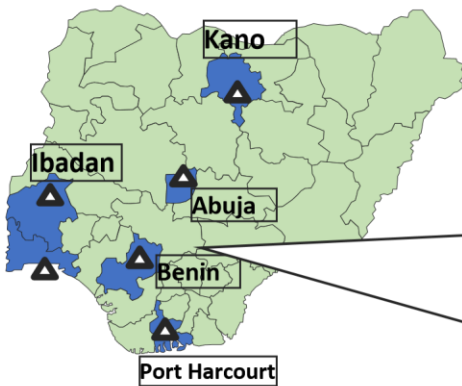
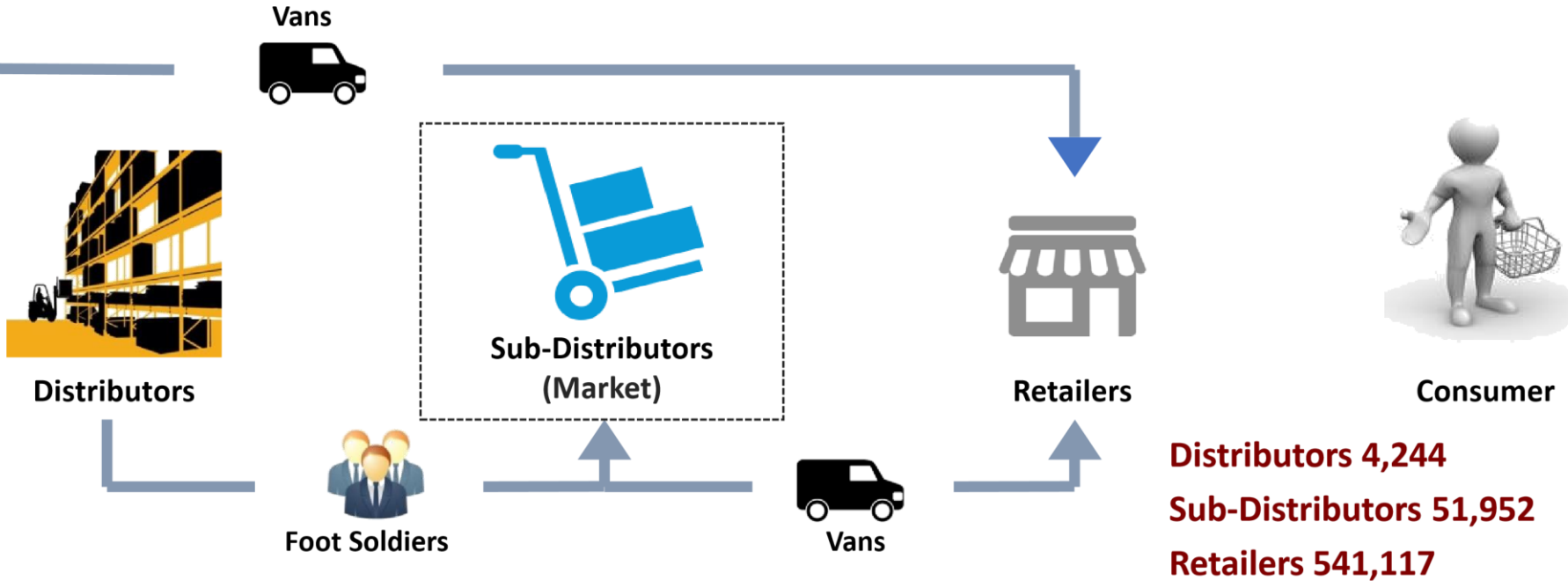
Flour Mill, PHC



Noodles factory, Ikorodu



Multi Pro



12 Regional Offices
25 Warehouses
Truck Fleet: 2,385
Vans: 1,471



Open Market Availability 70%

Numeric Distribution 55%

Category Penetration 80%

Outlet	Total in Nigeria	Direct Coverage	Total Coverage
Wholesalers	32,561	25,998	4,118
Supermarkets	14,098	3,547	7,881
Shops	461,674	67,572	213,885
Kiosks	302,505	50,004	139,197
Table tops	368,221	29,144	176,096
Total	1,179,059	176,625	541,177



ATL

TV Commercials



Radio Commercials



Social Media



BTL



**Market
Activations**



Trade Promos



Consumer Sampling



Fan Clubs



OOH Branding

nielsen BHT, RETAIL AUDIT

tnsTM rms CONSUMER PANEL AUDIT

Key to our products' success

3 Strategic Pillars

Localised manufacturing

Deep Distribution Network

Brand Building

Key attributes



Successful FMCG Product

Notable Successes



hypo is now synonymous with household sanitation in just 4-years since launch

90% market share

Households using bleach grew from 2.7% to 27% in 4-years

Dano is the #2 milk powder brand in Nigeria

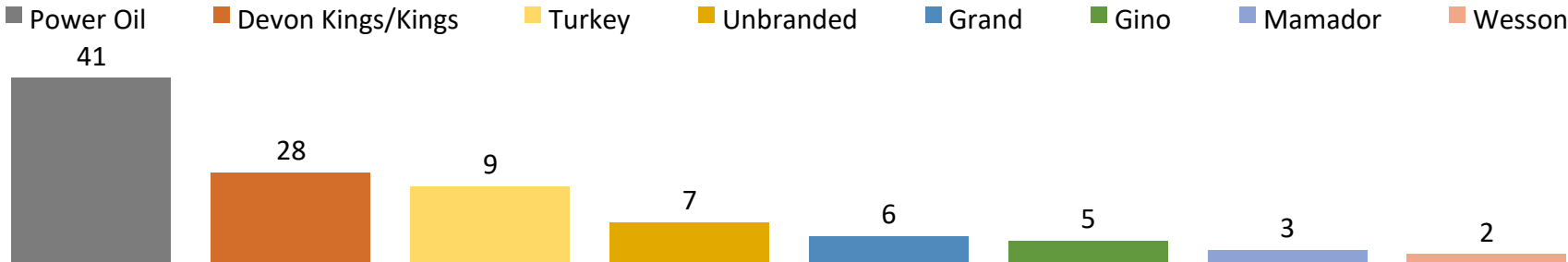
DOUBLED volumes within one year of creating the JV



Notable Successes



#1 Top of Mind Awareness amongst all edible oils in Nigeria in 2-years since launch



Sold **1 million** cartons **within 6 months** of launch!



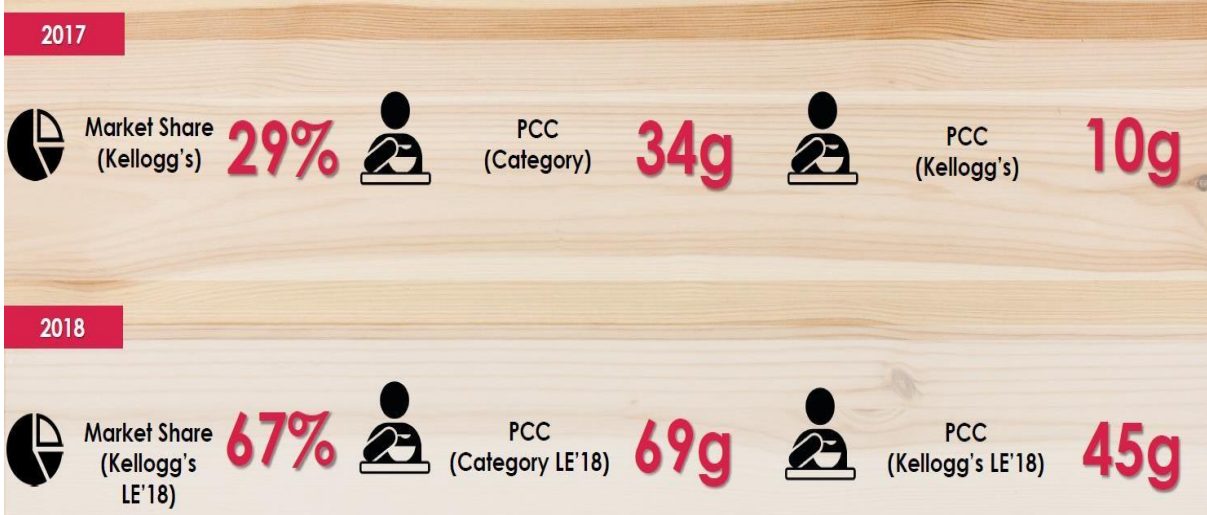
Notable Successes



Kellogg's cereals capacity of 10,000 MT in Nigeria sold-out within 6-months of factory opening

Sampled **1.4 million kids** in Q1 2018 while covering **12,000 schools**

Notable Successes



Creating market demand via N50 single-serve



**Inauguration of Kellogg's
Cereals
Plant in Nigeria**



**Acquisition of
Dangote Noodles
in Nigeria
& DFP Pasta Assets
in Ghana**



**Start of
Kellogg's Noodles
production in Egypt**



**Launch of
Kellogg's Noodles
in South Africa
and Egypt**