

-- Speaker 0 00:04 Make it right. The manufacturing podcast, the founders of <inaudible>

Speaker 1 00:10 <inaudible> launched their business just over a year ago to address a major hygiene challenge in India. The country has a menstruating population of 355 million girls and women with more than 80% of them using homemade hygiene solutions on a monthly basis. This keeps most girls out of school for up to 20% of their year and the lack of access to menstrual hygiene is the fifth biggest killer of women in the world. Nine's goal is to give girls and women a cost effective, high quality comfortable product. They've invested hundreds of millions of dollars to do so. Building a factory, educating the population and expanding its footprint across India. This week on the show, my guest is Guarav Bothol. He's a partner and director at nine and he's also a serial entrepreneur working with construction real estate, textiles and apparel manufacturing and he joins me on the makeup right podcast from India. Welcome to the show. Go out.

Speaker 2 01:06 Thank you Janet. Thanks a lot.

Speaker 1 01:08 It's a, it's great to speak to you and I, I'm really interested in your growth story and how it would be the whole company launched. Give me briefly a background on your personal career background so I understand how you fit in the picture here.

Speaker 2 01:25 Okay. Yes, definitely. So, uh, definitely it's a family owned business and uh, the best thing is that all the young blood is looking after, uh, the sanitary napkin business. So briefly I'll tell you our family, you have the business of family at the textile unit. We do some buying in processing and uh, we have a manufacturing facility or that is almost 25 years old. And uh, that has given us a very good to exposure into manufacturing. And the further Daniels back almost a decade back, we launched a mouth freshener brand called should plus in India. And uh, within seven years it was, uh, among the top five brands in India. Well, we have developed a very big brand. So, you know, together when we talk about the manufacturing and textiles and plan building in the mouth freshener business, it gave us a very good opportunity to diversify into this category of paper business, which is a sanitary napkin and baby diapers. Oh, okay. Yeah, it was more or less like we have some manufacturing and brand building experience. Some, a past businesses that really inspired us to get into this. Right.

Speaker 1 02:41 Okay. So you're also doing baby diapers?

Speaker 2 02:44 Not really. Not right now, but soon we are going to launch. Okay. Atkins.

Speaker 1 02:50 Great. So yeah. So let's talk about this first year in business for nine. You've made some great strides. What has the company accomplished?

Speaker 2 03:00 Uh, I'm very glad to share that. Uh, I can strongly in fact say that nine is one of the India's, uh, fastest growing brand.

Speaker 2 03:11 It was an 18 Africans category. We are the first Indian brand who got such a good response from market. Uh, I know the studies a often in manufacturers, even good business houses, those who have a good experience in FMCG does markets, but they have not been able to survive in paper business. And, uh, but, uh, we have got exceptional growth rate, uh, for the last year. Uh, and, uh, there are many factors. I'll tell you one by one. So basically it is the, because I had product which we have to make for the India Indian consumers and, uh, then it's the great distribution channel. Did you ask nucleate in India a tool for that? You need the right sales team. So we bought very good, uh, experts from, uh, this category, uh, experts from sales, from production. Uh, we've got people, we hired distributors who are the very experienced and cash rich.

Speaker 2 04:11 Oh, from how, uh, believed in our vision and invested in us. And together we created a very good brand. And, uh, we are currently serving in, uh, 10 States in India, which is mostly the Northern part, the not part where the population is very high as compared to the South India, but at the same time, the penetration levels. So sanitary napkins is the lowest because the illiteracy and uh, uh, that is the biggest factor in not, not part of India. So, you know, there's still awareness when we talk about the awareness of menstruation and about the usage of <inaudible> in this very, very readiness. So on an average, when we --

-- say only 18% ladies in India using sanitary napkin, I would say, uh, that, uh, not even 10% of them are using and not pot and more than 25 30% are using in the restaurant in the South, in India Indian part.

Speaker 2 05:11 So together it's a mix of 18%. So we decided to get into, uh, the state where we have the population, we have, we have more opportunity, well can we get new customers because the subject is very, uh, typical and you know, it's not very easy to move consumers away from a brand which they have been using for the last 20, 30 years because it's just the multinationals who have used it for the very long time. So is, is Proctor and gamble, would they be like PNG and JNJ who have lasted for like 30 a and uh, they have enjoyed the entire market share more than 90% market share belongs to these companies. So it is again challenging because they had the come with such a big RNB in the South center and an Indian company comes in do that and uh, tries to take away some market share and build also.

Speaker 2 06:04 So, uh, it was a big challenge but uh, we got a good accomplishment for the first year with, because a product was right, our sales team was good and we weren't able to drive the market waiver. So would you say your product is right? You have to attract people who've probably never used your product. So how do you go about attracting people who've never used a manufactured product? Yes. So it's a very interesting story. We have taken away a different approach for this business. So now we are just not a manufacturing and selling the product like any other company. We are also creating awareness. Oh, we did launch our nine month program. It's called the nine movement. The movement basically means that it's about educating and creating awareness in the rural part of India where 70% of the population stays. So what we did, we made a whole lot of team who is going and working each and every out of the day.

Speaker 2 07:04 So I would say 65 days in some schools, some villages, some institutions, some of the other. So I've been his continuously working. We give workshops, we educate the do's and don'ts of periods that a, it's not a taboo because India, that periods are considered a big taboo. We're, you're trying to kill that social stigma and we're trying to uh, share that in natural and biological process. We, in the workshop, we have a video where we explain the woman how to manage your periods by it is so critical. How do you eat, what kind of exercises you should do and even how to rail and apply a bat on a panty. Because, uh, when we talk about we have 82% of the lady that not using sanitary napkins, they don't even know how to use it. A lot of our shop is very much full of energy and, uh, a full of new activities, which, you know, attracts the girls and a woman's of that particular area.

Speaker 2 08:05 And they do listen. And then we go on with the fleet distribution of sanitary napkins. Uh, so we have a smaller packets of a brand and B go and circulate in the market and then we handed it to them so they experience it and then they have a good experience to go and buy it from that retail outlet. So this is how we have built the nine movement story, but that has really helped us address, uh, get new customers and uh, uh, you know, uh, to just solve them directly. Even, uh, when we uh, do some activities, we make sure that I don't, they have the whatever the retail counters at that we, that retail account counters must be having our products. So when the next time that ladies goes and buy, she should get up or not. This is all you have addressing. So we call ourselves a business with a social cause. We have, we are definitely, we have a corporate, we are not an NGO, but we have come with a determination that yes, we have to drive this. And a year 2022, which is India, 70 50 years of independence. We have made a goal and vision that by that time we would be able to bridge the gap between 80 to 18% of the ladies and take there's some good market share in India.

Speaker 1 09:24 That's a big challenge.

Speaker 2 09:26 Yeah, it's a big challenge. Uh, the goals and vision should be big then only after the end product. So we are trying to multiply fast. You're trying to add up lines very fast. We are trying to create the big infrastructure we are launching in every state. So accordingly, when the goals are big, then you plan for it. Right?

Speaker 1 09:43 --

-- <inaudible> so yeah, I love the strategy of actually doing the education process and actually putting the product into the people's hands so that these girls and women can try it first before they have to buy it. Because I'm <inaudible> I'm understand or it's my impression that there probably isn't a lot of income from making this purchase. So you have to see this as, as a really important thing to have. How have you kept your product costs down? So it is affordable.

Speaker 2 10:16 The product cost. In fact, I would just, uh, before coming to that, I would like to answer your question that, uh, it's not the affordability issue. You know, it's just a mindset issue, I would say. Yeah. Because the, it's just to repeat 25 Indian by Indian, even you rupees 25 please, a packet which has seven pads. So it's almost three, two B's, a, a pad, which is very, very less and the same consumer is spending more than a hundred times of that value in mobile phones, smart phones, internet cosmetics, and a lot of other things. Oh, it's not the affordability challenge. It's the mindset. It's the mindset of uh, getting the right hygiene, you know, and then the hygiene factor is not considered as more priority. You, they do, uh, when, uh, with the same unhygienic practices, if when you get ill and when you go to a doctor, the guy knows he was ready to spend so much of money for the consultancy fees and medicines, then why not be careful from day one.

Speaker 2 11:21 So even at moment, workshops do address this and we strongly LLM that. It's not a matter of affordability, it's just a macro mindset. Oh, okay. Yeah. Yeah. This is one thing. And then your second question was how we have made sure that productive, we're quality and affordable. Okay. Uh, we have, uh, what the light technologies, Oh, very high speed lines. So we get over it, scores, they're minimized and it's a full machine. So we product away as we have chosen the right technology partner and then we have the best raw materials. We have the best bargaining, some the suppliers, we get the good deal. And uh, then, uh, we made sure that our, all of them, I have a blue wave standard and standard industrial suppliers basically. So, uh, they do a, when you have the right product, the right raw materials, the right technology, and you highlighted the good, you learn it at the good efficiency and control, the waste is then you're getting the optimum production at the best.

Speaker 2 12:32 Nice. And then, uh, we are the oldest. Uh, we are also, uh, adding disposable bags, which none of the, the company has done in India till now. I don't know about worldwide, but along with seven pads, which is there in the packet, we give seven disposable bags, which is under, in biodegradable. So this is one, uh, a benefit with our product that we provide disposable bag. Then we have taken care of that disposable <inaudible> also <inaudible>. Uh, we do insert, we give that a three in, sorry, in the packet and we have made the packaging also very attractive. So we tried to optimize production and again, uh, with the products and we tried to optimize that. We get the maximum sales from a salesman. Oh, that all his energy and output is the utilized. Ah, so everybody is learning for targets and big a in chasing the numbers.

Speaker 2 13:26 So we made sure that all of the selling cost is minimized and we are able to give good margins to the trade that retailer to that retailer. It also takes interest in selling our product. And then the main challenge is the distribution of your distribution and your, uh, uh, you know, you're, uh, but, but stop, you know, I would say like the media distribution in India is such a big challenge. You have to solve each and every outlet directly. Well, if your product productive available, then you make sure that yes, sales will automatically start happening. Right. So you have a, you have a rather big growth plans through to 20, 22. Well tell me about your plan to, to scale up. How are you going to actually to <inaudible> manufacture enough pads for women? Yeah. In order to reach your target to bridge that gap. So, uh, we are definitely multiplying aligns, we started with one line two, then the bought second line, we ordered a second line and uh, after even two months of our launch and by today we are already like designing two lines.

Speaker 2 14:39 The second line is already a more than uh, one and a half times more sp --

-- eed than the existing lane. We have already ordered third line Israel, which will be starting next year. So, you know, every year we are keep adding lines and we are opening States. We are expanding our geographies. So, uh, definitely, uh, we have started with a smaller geography so that we initially get a respond to the brand and Vince, we are sure of that. Yes, customers are well accepting it and things are going right. We have that time to multiply the line strength into the geography. Time to the sales team puts the product throughout and make sure that it's available everywhere. The Hills lowland, deep and Divia villages everywhere that distribution product should be placed. Oh. Accordingly, we are managing everything.

Speaker 1 15:27 That score of basketball partner and director at nine sanitary napkins. We had a really interesting conversation about the challenges this family run company has run into and it's four years of development. As they researched the market, develop their product, recruited a team and created their marketing for a product that is burdened with a social stigma in India. Next week on the show, we continue our conversation to look at how the company has improved their manufacturing processes, how they plan to expand their product offerings, and how they're actively erasing a social stigma by bringing to light the necessity of sanitary products to make it right for women in India. I hope you'll join us until then. Please check out our Twitter, LinkedIn, and Facebook feeds and subscribe and share this podcast with your friends and colleagues through iTunes, Google play, Stitcher, Spotify, and YouTube. Until next time, I'm Janet Eastman. Thanks for listening to the makeup right podcast.

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