1. Samosa Party

Subject: How to Make ₹45Cr By Selling Samosas 🤑
Preview Text: Up for some Samosa Chai time? 🥟☕

Welcome to the 1st edition of the 4-Week Startup Growth Series where we break down the growth story of a startup thrice per week. Each edition is packed with real-life lessons from the startup ecosystem. It is meant for founders, aspiring entrepreneurs, and people who want to become the top 1% operators. 🚀

So, are you up for some Samosa Chai time? 🥟☕

Well, India's food market is bustling with flavors but do you know 60 percent of India's food services market is unorganized: Comprising a **$40 billion street food market!** 🤯

But here's where the issue lies – the street food that dances on our taste buds like pani puri, Pav bhaji, and samosa is battling a **significant challenge: hygiene**. Samosas being the "Fav Indian Tea-snack" often fall short of cleanliness standards. 🧼

Would you believe it if I told you that a staggering 60 million samosas are sold in India every single day? That's right, folks, it adds up to a jaw-dropping **22 billion samosas annually**, which roughly translates to 15 samosas per Indian per year📈🇮🇳.

But wait: did you know samosas originally hailed from the Middle Eastern kitchens, before making an entry into the Indian hearts with potato fillings? 🌍

We've actually seen this story play out in other parts of the world. Hamburgers, once a humble 5-cent snack, have transformed into a $42 billion empire. Likewise, pizza, which began as a simple meal for the poor in 16th-century Naples, has flourished into a diverse $141 billion industry.🍔🍕

With samosas being a staple across India there's immense potential, with the industry projected to hit **$750 million by 2025**, especially if leveraged globally. Imagine transforming the scattered, informal samosa scene into a branded empire, much like McDonald's or Dominos.

In the bustling food streets, Samosa Party emerged in this market in 2017. The Founder duo **sold 35 lakh samosas last year**. From 200 samosas per day in 2017 to over 50,000 per day now. 📊

THE PIVOT
They started out as a B2B catering business that included samosas, after a while they soon realized that Samosa was their golden ticket. Within the first year, they were already making around 15-20 lakhs a month.
They scaled up real quick, from a single shop to 20 across Bengaluru,Hyderabad, Mumbai & Gurugram, they're now dreaming big: 1,000 outlets, 10 cities, and ₹1,000 crore in revenue by 2025, fueled by ₹2.7 million from backers like SheCapital and AET Capital.

This is where Samosa Party went right:

Branding: More Than Just a Name
They chose a memorable brand name, "Samosa Party," echoing the vibe of a "pizza party", picking out a name that sticks with people.
Their innovative approach to branding positioned them as a contender against giants, as they came up with the packaging concept of tubs like KFC.

Choosing the right TG
Samosa party focused on the urban crowd just like KFC, Dominos, etc in their initial days. These customers are health-conscious and focus on hygienic offerings for snacking. At the same time, they have the capacity to pay a premium and prefer consuming from brands rather than local stores. For the same reason, this samosa brand has attracted funding from prominent VCs.

Less Fat, More Flavor
Is there a rule that Samosa filling should be just potatoes? No right? The founders spent 1.4 years finding the perfect 15 flavors like kadai paneer samosa, chicken keema samosa, etc. that would match the vibe of people in India.

They innovated samosas with **56% less fat and 46% fewer calories** than street versions by using less oil, yet didn't market them as 'healthy' to avoid the common belief that healthy means less tasty, fearing it might hurt sales.

SAMOSA-NOMICS
The brand sells a set of 5 samosas for ₹150, breaking down to ₹30 per samosa. Considering the **cost of making each is less than ₹5**, the profit margins are quite plump. Plus, at such a price, it's a deal since samosas are usually shared in groups - no one grabs just one; it's always a samosa party. 💸

The Model That Scales
The scalable model began by partnering with halwais who were already outsourcing samosas, a process where they would buy samosa at X rupees from somewhere and used to sell it for 2x.

Moving forward they set up a **central kitchen**, what one might call a cloud kitchen today of 200 to 300 square feet. Here, the food is prepared and then final touches or assembly occurs elsewhere, similar to how McDonald's prepares its burgers and patties at different locations before assembly. This model allowed it to expand rapidly across cities while controlling the quality.

Chutneys and Challenges
While samosas are universally craved, navigating regional tastes presents a challenge. The northern regions, already rich in samosa and street food culture, might be tough terrain as locals have plenty of choices. Yet, Samosa Party's commitment to quality, innovation, and strategic growth distinguishes them.

As business students, Samosa Party's journey underscores the importance of strategic positioning and robust branding within the competitive fast-food market. This case study clearly demonstrates that a compelling idea, when wrapped in the right packaging, can not only captivate customers but also ensure they return, hungry for more.

Thank you for tuning in!
Our team works hard to craft these insights for you. If you found it informational, do share it with your network and we will see you in the next one.

2 . Country Delight

Subject: How Country Delight's Revenue Skyrocketed to ₹1,000 Cr 📈
Preview Text: This is what a subscription model can do to your business….

Dairy is one of the most difficult industries to crack given the extremely low margins and short life of the products and we already have giant players like Amul sitting there. So the question is **how did Country Delight build a 1000s cr in such a brutal market?** 🤯

Many startups including Doodhwala have already burnt their hands in the dairy industry.
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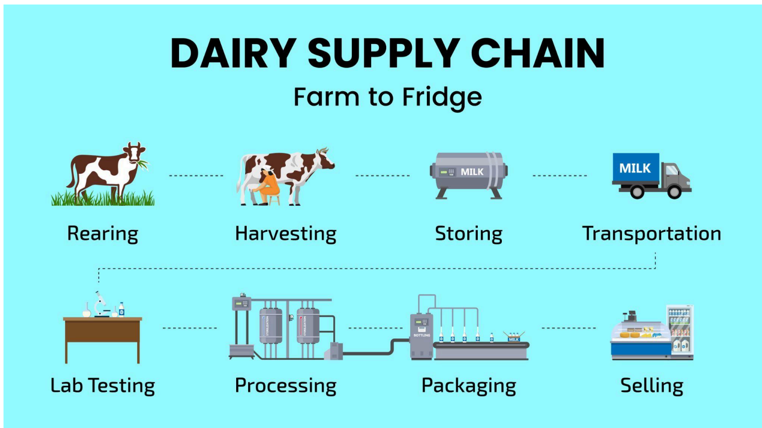
India produces 126 million liters per day, contributing 4.5% to the GDP, and with a yearly production hitting the 165 million tonnes mark, we're the world's largest milk producer! 🌍🥛

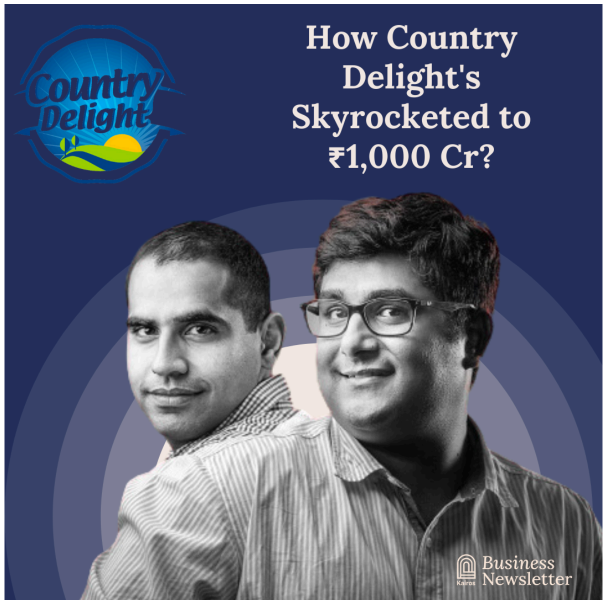
But it's not straightforward - Over 5 million tonnes of milk gets wasted due to unreliable electricity supply. 💡🚚



But Country Delight is stepping up to the plate with a fresh perspective, that's not just about premium products but also champions a bulletproof supply chain, ensuring every drop of milk makes it from farm to fridge flawlessly.

2013→ Country Delight joins the dairy world
2024 → Revenue flows to ₹1,000 crore

Let's spill the milk on how they did it!



Understanding the core of business

The founders realized early in their journey that **more than pricing, the quality of milk matters,** and a mere 34% is an organized market with the rest of the unorganized segment spilling over 2,130 lakh kg of potential. This is when they started framing themselves as the *highest-quality* milk provider.

Taking the trust to the customers

Country Delight's USP lies in two words: freshness and trust. Each pack of milk comes with a **backstory** – where it originated, how it traveled, and why it's superior. Trust isn't built overnight; it's nurtured through consistent quality and transparency. So they went one step further and **delivered testing kits** to the customers to compare the quality of different brands and build trust. 🧪. In fact, they *charge **Rs.42 for 500 ml milk compared to Rs.26 of Amul***. 💪

Trust >> Price cutting.

Blending Technology and Business Strategy into Milk

AI & IoT (Not Just Buzzwords)

AI and IoT in milk delivery? Absolutely. With their own Nectar app, they have revolutionized milk delivery by leveraging IoT technology for real-time monitoring of temperature and freshness, ensuring product quality. In a broader sense, such a platform would be expected to provide customers with a user-friendly interface to place orders, track deliveries in real-time, and gain access. 🚀

Your go-to Subscription model 🚚🏡

I can remember those 'no-milk' mornings. When the delivery guy missed the delivery and suddenly, mom sends you to get it, pretty annoying right? In a world where everything from movies to meals is on subscription, why not milk? Country Delight's model makes 'running out of milk' a problem of the past. Regular, reliable, and right on time - just how we like it. Currently, they have **8,000 delivery members who deliver from 90 distribution points spread across 14 cities.**

Beyond Milk
Milk is usually the top of the funnel to attract daily consumers and then make money by selling other high-margin products like curd, ice creams, paneer, etc. They have plans to include kitchen essentials like rice and dal, they're sticking to their farm-to-table strategy, delivering freshness not just in liquid form, but across your whole pantry. Brands like TwoBrothers, Nourish Organics, and Nutri.org have already set the table in this growing trend but Country Delight has leverage here with their large user base.

But there’s still a roller coaster ride ahead

With quick-commerce players like Blinkit and Zepto changing the game, Country Delight faces a unique challenge - how to deliver freshness in a fast world? **Sound unit economics and profitability** still look like a distant dream but it will be interesting to see how it turns out. ⏳

If you want to dive deeper into Country Delight's strategy—click the link below!
Link

Thank you for tuning in. See you in the next edition!