

Snapshot - D2C Market prospects in India

Special Focus- Consumer Electronics



Snapshot of Indian D2C Market

\$200 Bn+

Estimated Value Of The Indian
Ecommerce Market By 2026

\$100 Bn+

Estimated Size Of The Indian
D2C Market By 2025

800+

D2C Brands In India

100 Mn+

Online Shoppers In India In FY20

\$2.04 Bn

Funding Raised By D2C Brands
Since 2014

Lenskart

D2C Brand With The Highest
Funding In India

Sequoia Capital

Most Active D2C Investor In
India

16

Number Of D2C Brands That Got
Acquired Till April 2021

INR 3,295 Cr

Combined Revenue Of 10 D2C
Brands In FY20

Total Addressable Market under D2C

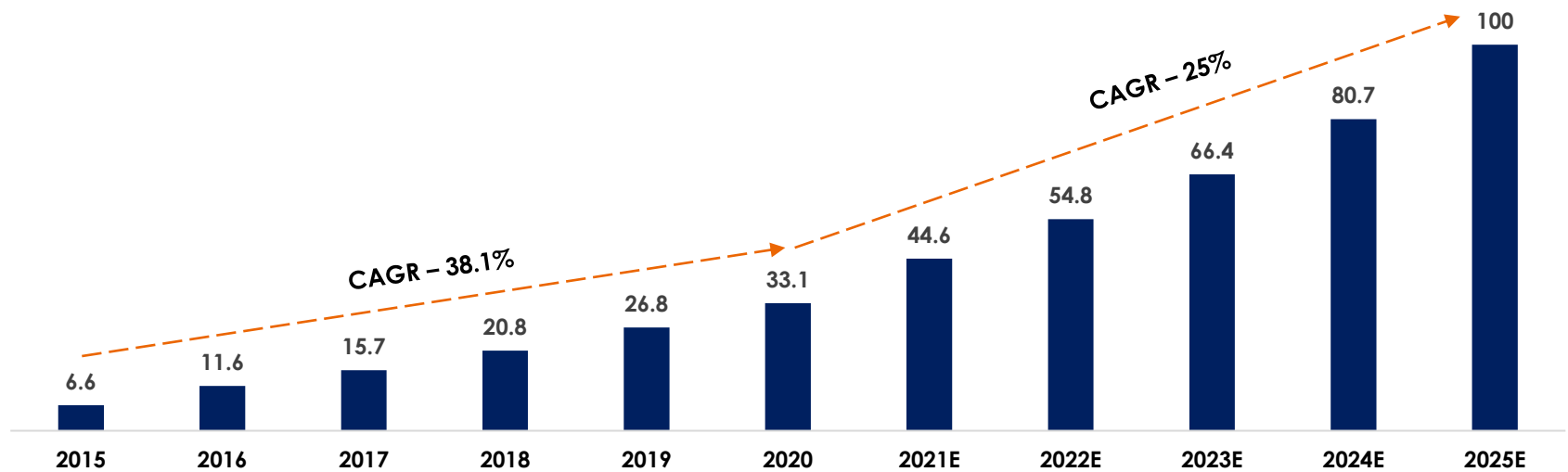


Fig. in \$ Bn

\$100 Bn
TAM by FY 2025

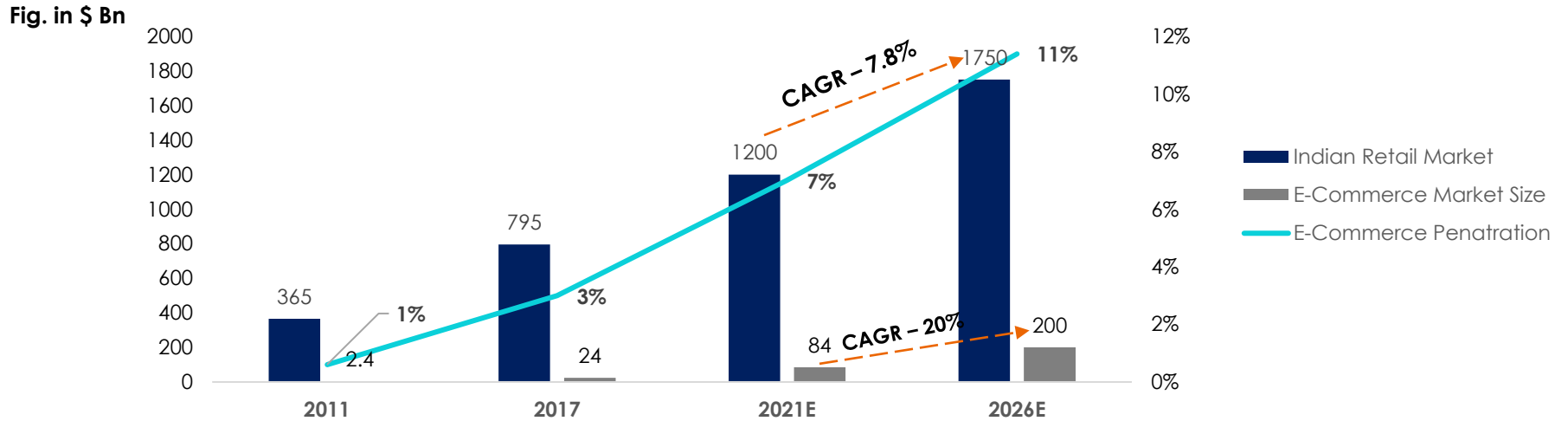
2.5x
Projected growth of
online shoppers in 5
years

16+
Brands with
\$50Mn+ ARR

45+
Brands with
\$15Mn+ ARR

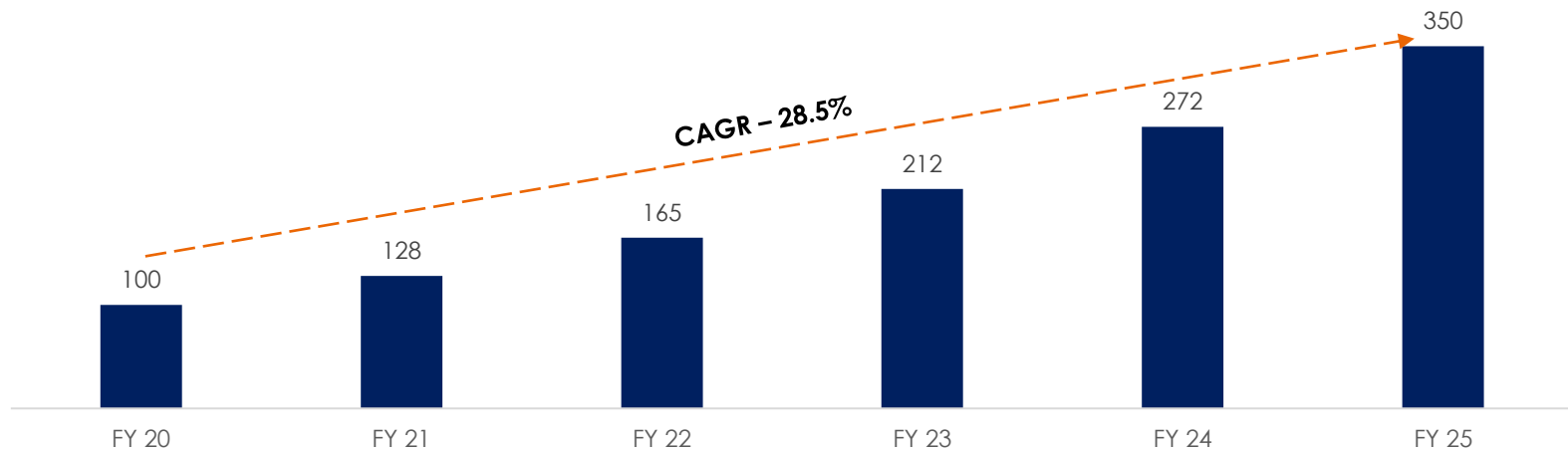
Online spending and Ecommerce growth are the key enablers for D2C growth

Indian Retail & E-Commerce Market



Online Shoppers

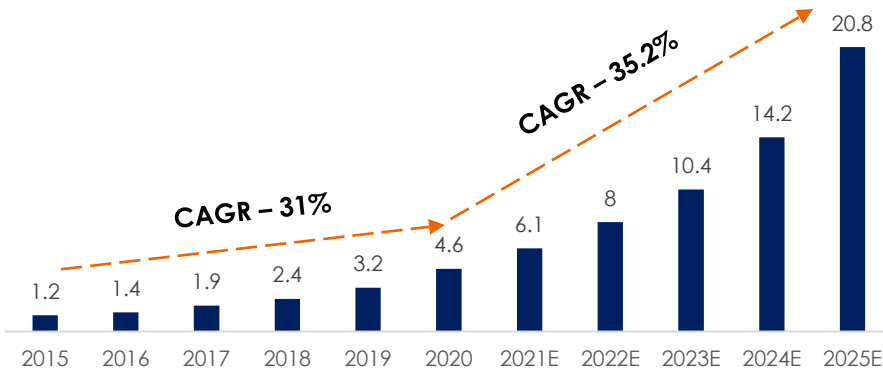
Fig. in Mn



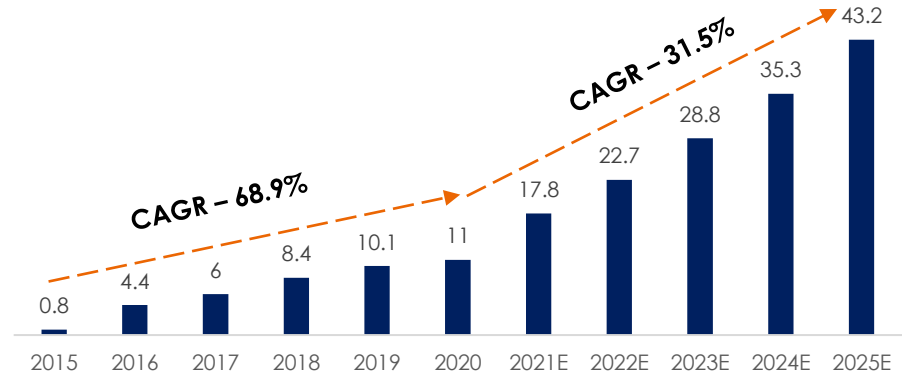
Estimated Market Opportunities In Key D2C Sectors By 2025

All Fig. in \$ Bn

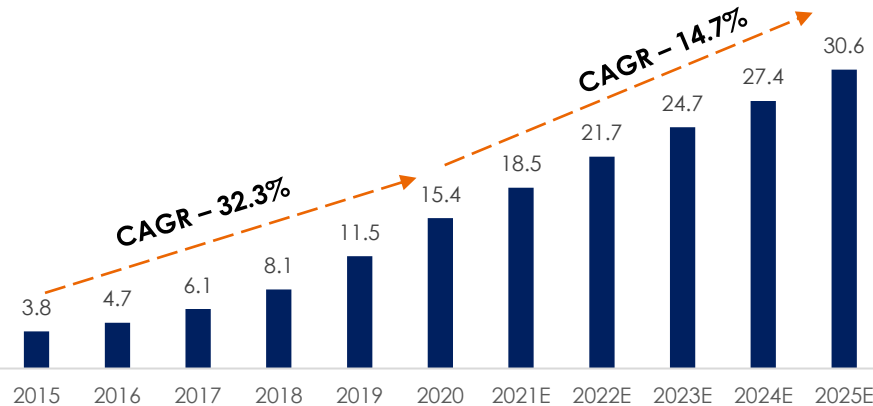
Online FMCG Market



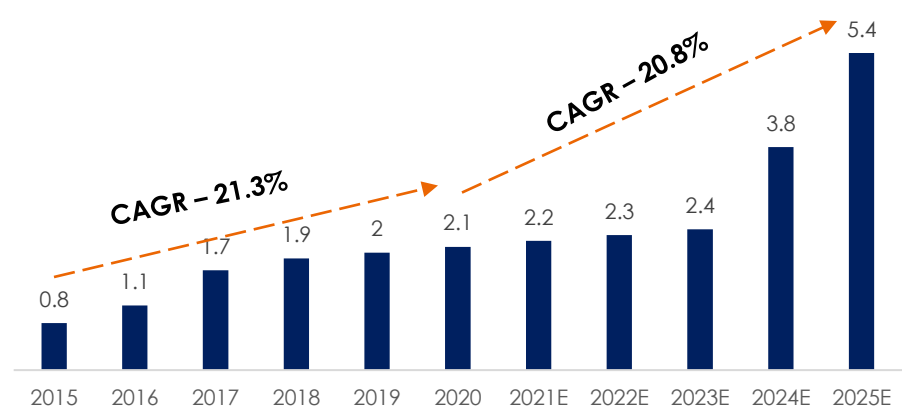
Online Fashion Market



Online Consumer Electronic Market

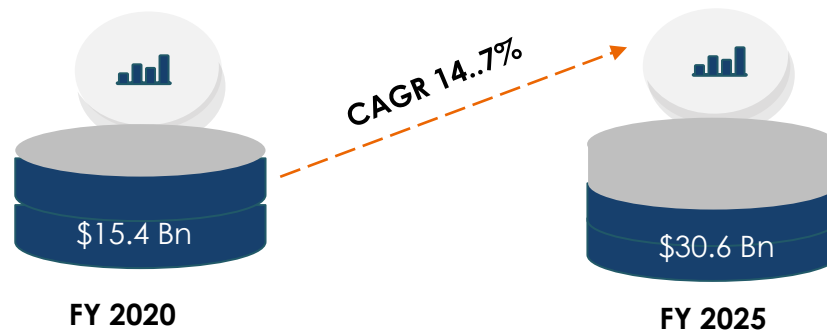


Online Home Decor Market



D2C Consumer Electronics Market

D2C - Consumer Electronics Market



Challenges

- Huge R&D Expenditure
- High Customer Acquisition & Retention Cost
- High Logistics cost
- Competition from established brands

Opportunities

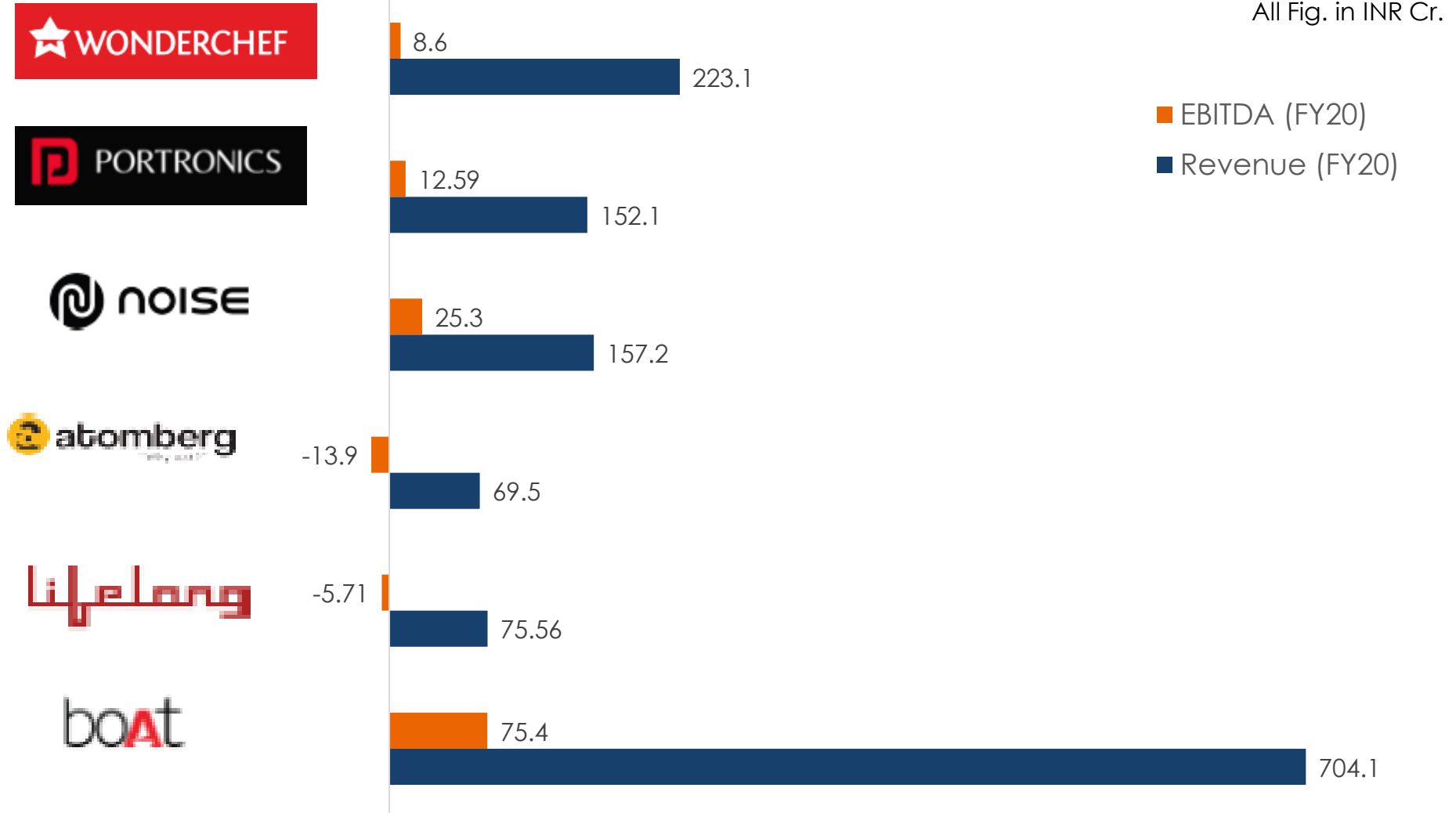
- No intermediary
- Increasing internet Penetration
- Innovative supply-chain
- Government initiative to “Make in India”

Transactions in D2C Consumer Electronics Landscape

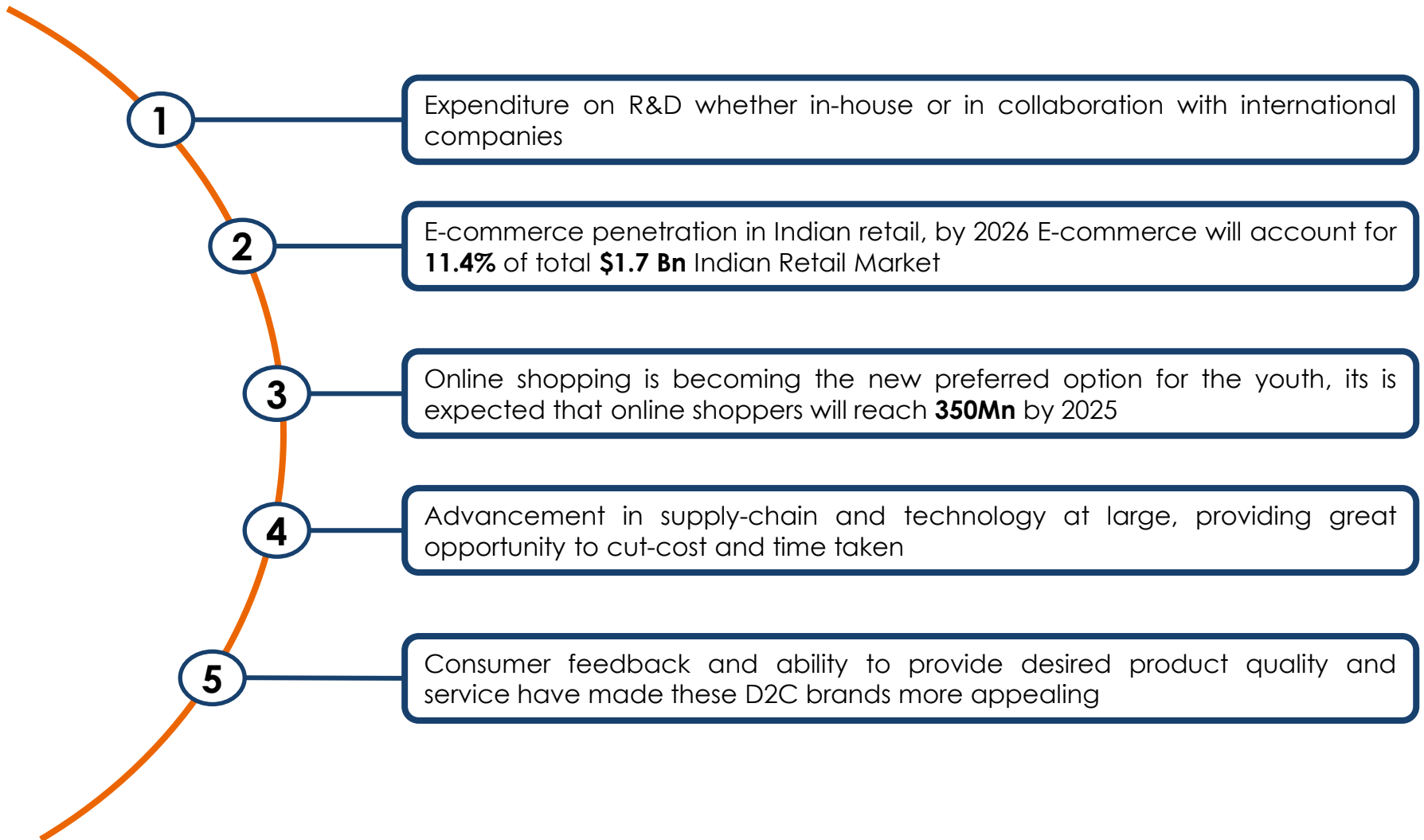
Brand	Funding Date	Funding Received	Investors	Enterprise Valuation	Revenue (FY20)	Rev. Multiple
 WONDERCHEF	Jun.18	\$10.4 Mn	Amicus Capital	\$53.63 Mn	INR 223 Cr.	2.51x (FY18)
 boat	Apr.21	\$6.63 Mn	Qualcomm Ventures	\$274 Mn	INR 704 Cr.	2.92x (FY20)
 atomberg	Dec.20	\$9.42 Mn	A91 Partners, Munjal Family Office, Trifecta Capital	\$58.4 Mn	INR 69.5 Cr.	6.3x (FY20)
 lifelong	Apr.19	\$5.73 Mn	Tanglin Venture Partners, Indigoedge Management	\$23.76 Mn	INR 75.6 Cr.	3.9x (FY19)
 candes <small>Smart India Ka Smart Home</small>	Jun.21	\$ 3 Mn	Anurag and Ruchirans Jaipuria, Nitin Passi	NA	NA	NA

Source: Venture Intelligence

Selected D2C Electronics Brands



Key Growth Factors – D2C Consumer Electronics



Brands & Investors in D2C Consumer Electronic Market

Major Brands



Marquee Investors



Key Takeaways

Market

India is witnessing a boom in D2C brands across all categories, and it is expected to reach a market size of USD 100 billion by 2025.

Product Differentiation

Most of the D2C consumer electronic brands are focusing on product development, marketing & distribution strategy:

- Brands such as Noise have in-house design and R&D teams to create differentiated offerings (Bluetooth earphones, smart wearables, action cameras and more).
- Boat, a major D2C brand in this category, has developed durable and fashionable audio products and accessories based on user feedback and in collaboration with designers.

Funding

- More successful D2C outcomes will verify the premise for newer capital deployment, resulting in a high degree of funding activity in this domain, which is predicted to increase with time.
- Investors will be more interested in high-quality companies with strong growth prospects and a focus on capital efficiency. For all stakeholders and the ecosystem as a whole, D2C enterprises will ride the next wave of value creation in e-commerce.

Disclaimer

- This presentation has been prepared by D P N C Advisors Pvt. Ltd (the “Company”) and is general background information about the Company’s activities at the date of this presentation. The information in this presentation is provided in summary form only and does not purport to be complete. This presentation does not contain all the information that is or may be material to investors or potential investors and should not be considered as advice or a recommendation to investors or potential investors in respect of the holding, purchasing or selling of securities or other financial instruments and does not take into account any investor’s particular objectives, financial situation or needs. By attending the presentation or by reading the presentation slides you agree to be bound as follows:
- This presentation has been made to you solely for information purposes. This presentation and its contents are confidential and proprietary to the Company, and no part of it or its subject matter may be reproduced, redistributed, passed on, or the contents otherwise divulged, directly or indirectly, to any other person (excluding the relevant person’s professional advisers) or published in whole or in part for any purpose without the prior written consent of the Company. If this presentation has been received in error it must be returned immediately to the Company.
- The communication of this presentation may be restricted by law; it is not intended for distribution to, or use by any person in, any jurisdiction where such distribution or use would be contrary to local law or regulation. This presentation is not directed to or intended for distribution, or transfer, either directly or indirectly to, or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, transfer, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.
- The information in this presentation has not been independently verified. No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the presentation and the information contained herein and no reliance should be placed on it. Information in this presentation (including market data and statistical information) has been obtained from various sources (including third party sources) and the Company does not guarantee the accuracy or completeness of such information. All projections, valuations and statistical analyses are provided for information purposes only. They may be based on subjective assessments and assumptions and may use one among alternative methodologies that produce different results and to the extent they are based on historical information, any they should not be relied upon as an accurate prediction of future performance.
- None of the Company, its advisers, connected persons or any other person accepts any liability whatsoever for any loss howsoever arising, directly or indirectly, from this presentation or its contents. All information, opinions and estimates contained herein are given as of the date hereof and are subject to change without notice.