

Drive digital and innovation

We are driving digital transformation across the value chain and defining a clear roadmap to simplify and synergise processes.

We have undertaken end-to-end digitalisation of our channel partners and field force and bolstered our capabilities in e-commerce.

We implemented Integrated Business Planning to drive efficiencies in our supply chain. Data driven insights and analytics are other areas of focus for us, going forward.



EIGHT O'CLOCK AND GOOD EARTH TEA NOW ON ALEXA

We enabled information on our brands like Eight O' Clock Coffee and Good Earth Tea in USA on Amazon's echo device, Alexa. The device will allow consumers to make the most of these products with guidance on a selection of recipes and expert tips on brewing, and answers to questions. There's also a special section dedicated to the legacy of the two brands.

LEVERAGING AUGMENTED REALITY TO WIN THE FIGHT AGAINST COVID-19

One of our Tata Salt campaigns, #NamakKeWaastey used augmented reality (AR) to convey an important message through the avatar of Mahatma Gandhi. Users could click on the link and scan any horizontal floor in their house to see an AR version of Gandhi come alive, wearing a mask, and delivering a 30-second message for citizens to join him in a virtual march, similar to the Dandi March, to practice social distancing and abide by the guidelines suggested by the health ministry to curb the outbreak. Users could also take a picture wearing a mask with Gandhiji and share it on their social media handles using the campaign hashtag.

Solid inroads into e-commerce

INDIA
We identified e-commerce as a strategic focus in India and in the past year, worked to enhance people capabilities, process enrichment and system capabilities to drive analytics-based decision-making. We established clear goals with key partners and conducted regular reviews as part of joint business planning process, which achieved 100% growth last year across key accounts.

Performance highlights FY 20-21

- E-commerce contribution to overall sales increased from 2.5% in FY 19-20 to 5.2% in FY 20-21
- Introduced products on e-commerce like Tata Tea Tulse, Gold Care, Quick Chai, Sonnets from Tata Coffee, Tata Sampann Mixes, Thin Poha, Thick Poha, Pulses Combi packs. New products launched cumulatively contributed 4% of overall e-commerce sales
- Launch of premium coffee and luxury tea range through D2C model

Tata Sampann and Tata Soulfull on e-commerce

- Tata Sampann pulses and besan growth has been led by e-commerce in the last 5 years.
- It is currently the top category in our portfolio in e-commerce channels.
- E-commerce-specific combo packs and cross-category promotions executed in FY 20-21
- Tata Soulfull has a very strong e-commerce reach and is growing rapidly



Strengthening D2C with NutriKorner

- Consolidated portfolio now on Tata NutriKorner to enable content to commerce
- Revamped the website with advanced UI/UX and industry-best plugins to enable convenient customer shopping experience and facilitate loyalty programmes, WhatsApp Messenger notifications, among others
- Defined digital acquisition funnel with precision targeting and highly relevant communication
- Integrated plans with top partners like Google to bring in more innovation

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Solid inroads into e-commerce

UK
There has been marked growth in the online channel in UK. For the top 4 grocery e-tailers, ~18% of sales is through online as opposed to only ~10% during pre-COVID times.



- Performance highlights FY 20-21
- Tetley is winning online, with 18.6% of all sales happening via online channel compared to overall tea category sales remaining at 17.8%
 - Registered 500%+ growth on Amazon.
 - Across the top 5 online retailers (including Ocado) we have grown 80% (vs category growth of 70%)



- Key launches and activations
- E-commerce-led launch of Good Earth on our D2C consumer website supported by Instagram during the pandemic. This was followed by the launch on Ocado, Sainsburys.com and Amazon
 - Launched all new products of Tetley on our e-commerce channels with increased split of online investments.
 - Significantly improved our digital shelf presence with SEO optimised content, mobile optimised images and ratings and review campaigns
 - Activated 'Search' campaigns, media callouts on 'Favourites', 'Offers' page and targeted e-coupons

EMBEDDING DIGITAL ACROSS THE ORGANISATION

In line with Tata Consumer's ambition to transform into a multi category consumer goods company over the next few years, a roadmap was created to strengthen our digital capabilities. As part of that, we are aiming to embed digital across our S&D system, procurement and supply chain, marketing, innovation and leverage its power to drive further efficiencies in the business.

Sales and Distribution
Implementing sales force automation (SFA) and distributor management system (DMS)
We created a digitally enabled distribution system to connect distributors and field sales force across the value chain on a single, unified interface and capture real-time data from channel partners to drive consumer insights. Some of the other features that we are leveraging include route optimisations, sales analytics and gamified learning and incentive system for our partners.

Procurement and Supply Chain
Improving demand and supply planning with Integrated Business Planning (IBP)
The Integrated Business Planning (IBP) platform is a collaboration platform for stakeholders, which helps address concerns around supply chain strategy and key planning processes around demand, supply, inventory and S&OP.

It drives an improved topline with higher visibility and responsiveness across the value chain and addresses issues like forecast accuracy, customer service, inventory, storage costs, finished goods and packing material availability and stockouts.

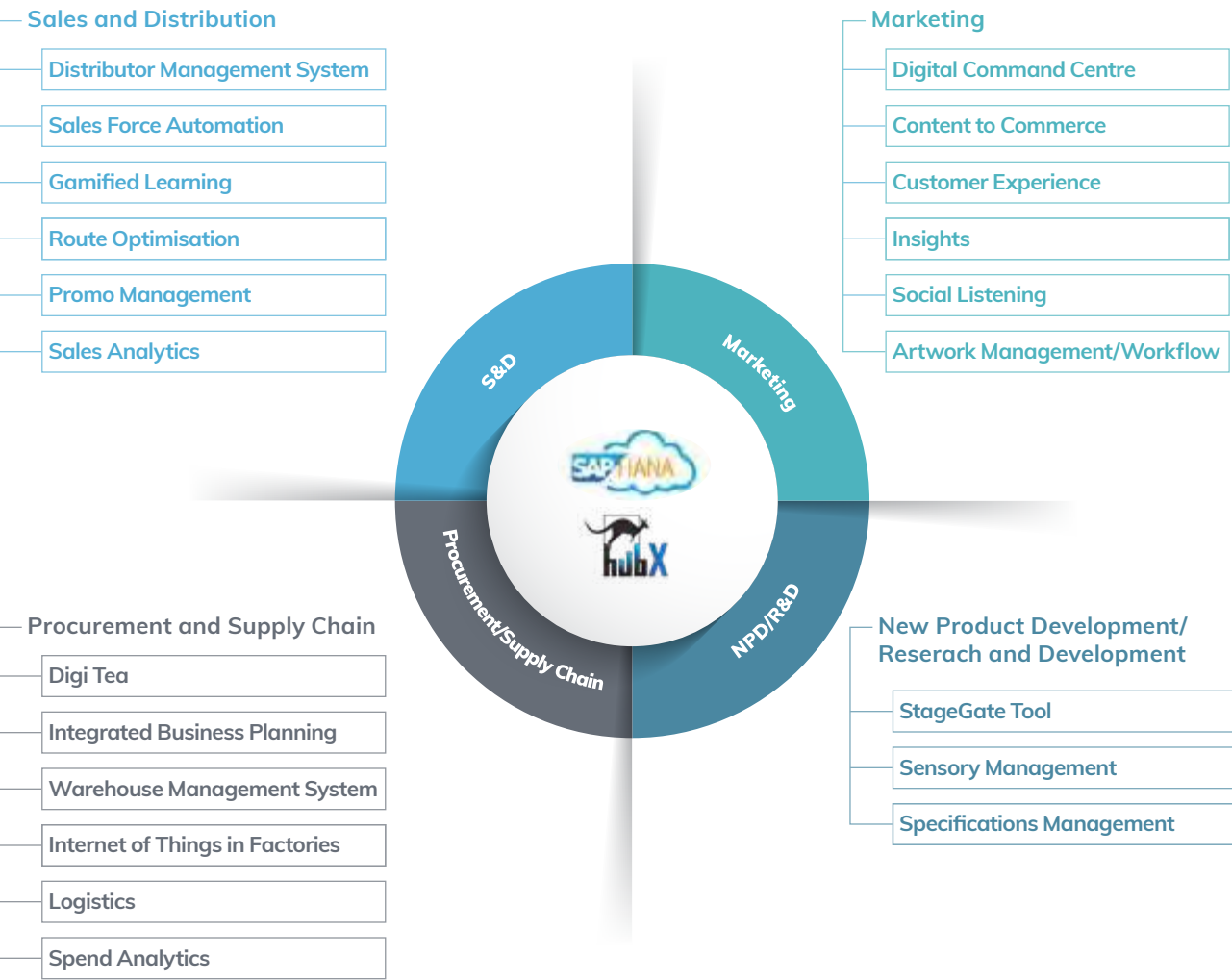
We are working to assess demand in real time and respond proactively and are collaborating with Modern Trade (MT) and e-commerce consumers to improve the ordering process by moving to Electronic Data Interchange (EDI).

Project Concord: Best-in-class Enterprise Resource Planning
This year marks a significant milestone in our digital journey. We started merging our multiple SAP systems, comprising different operating units into a single SAP S/4 Hana platform. This led to the creation of a harmonised global design, which is a key enabler to

being able to take up multiple digital growth agendas across geographies. This is expected to bring in significant efficiencies in operations, reporting and business analytics for faster decision-making.

The roll out of the SAP S/4 Hana was completed for our India Food and Beverages business within an impressive timeline of 7 months. The platform integrates the workings of procurement and supply chain as well as Sales and Distribution (S&D) on a single platform.

TRANSFORM DIGITAL CAPABILITIES ACROSS THE VALUE CHAIN



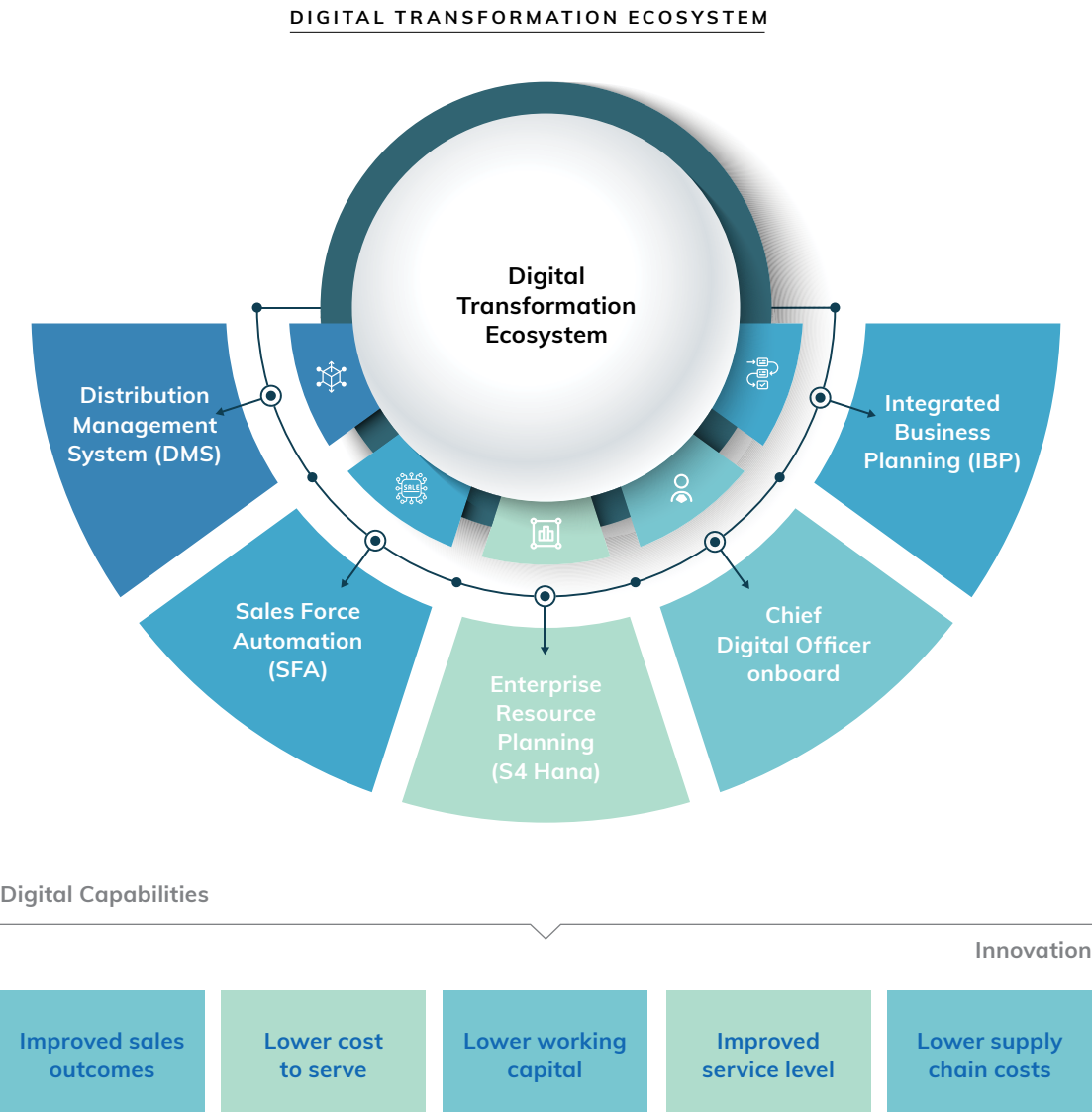
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Marketing

We believe in marketing innovations that drive customer loyalty and brand recall. We are trying to leverage social listening to understand what consumers want and use those insights to delight them. Additionally, we are increasing our efforts in the digital marketing space to build a better connect with the increasingly digitally-savvy consumer of today.

Innovation

Our sharp sensory framework enables us to consistently meet need and demand gaps. An effective Stage gate tool helps us track the progress of the research projects in our portfolio.



STRENGTHENING THE NEW PRODUCT DEVELOPMENT (NPD) PROCESS

We have operationalised the rapid innovation model to accelerate the pace of new launches. This year, we strengthened the NPD process and made progress in terms of new product launches. Going forward, we aim to accelerate the pace of innovation as the building blocks are now in place.

Process transformation

- Revamped stage-gate process benchmarked to best in class in the industry
- Stronger pipeline, higher-frequency reviews (faster decision-making)
- Customised to different types of projects

Better productivity

- Targets set for revenue contribution from NPDs
- Judicious mix of adjacencies and horizon 3 projects
- Investments behind NPDs/ s strategic funding

Speed

- Improve conversion rate (# ideas crossing the funnel/ year)
- Fail fast, fail cheap credo
- Faster scale-up of successful pilots

