

The logo for Adani Wilmar is enclosed in a black rectangular border. It consists of the word "adani" in a sans-serif font, with a color gradient from blue to purple to red, and the word "wilmar" in a solid teal color below it.

adani
wilmar

For a healthy growing nation

OLIVE OIL SECTOR

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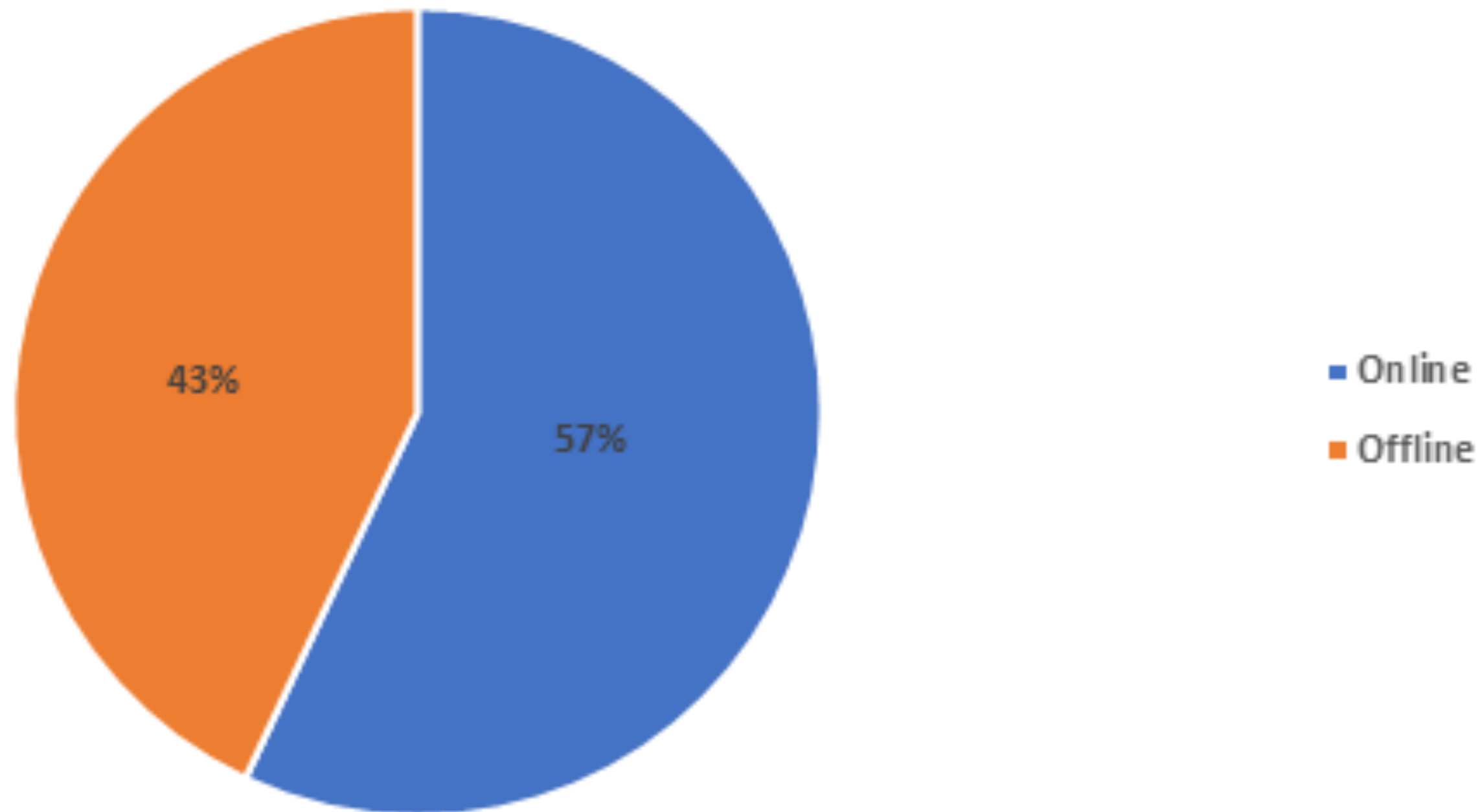
OLIVE OIL IN INDIA

- According to recent reports and the Indian Olive Oil Association, India consumes about 12000 metric tonnes of olive oil each year
- Although the per state details are not available, 70 percent of India's demand for olive oil is concentrated around Delhi and Mumbai.
- Olive Production in India is mainly concentrated in the State of Rajasthan. Olive plants require chilling to flower and fruit the temperature should be less than five degrees at night and less than 16 to 20 degrees in the day time, and Rajasthan provides those appropriate conditions for olives to grow.
- As mentioned above, most of the demand is concentrated in two or three states.
- The Olive Oil industry is growing exponentially. The India olive oil market size was valued at \$58.6 million in 2017, and is projected to reach \$127.5 million by 2025, growing at a CAGR of 9.9% from 2018 to 2025. The Indian Olive Oil market size is estimated to reach \$141.5 million by 2027. It is one of the most growing industries right now, and if somehow we can get into it, it will be a huge boost for the company's sales, and edible oil sector.

REASONS WHY THE OLIVE OIL INDUSTRY IS GROWING

- The Olive Oil Industry in India has witnessed considerable growth in recent years due to an increase in the health-conscious customer base.
- The medical benefits of olive oil are helping it in achieving its goal, its usage is increasing exponentially.
- Olive oil has many antioxidants and anti-inflammatory properties that helps reduce the chances chronic diseases. It also helps prevent heart diseases and heart strokes.
- Olive Oil has been considered an excellent substitute for all other cooking oils. Its not only that the taste is better but also as mentioned above due to its health benefits.

INDIAN OLIVE OIL MARKET SEGMENTATION ANALYSIS — > BY DISTRIBUTION CHANNEL






- The Indian Olive oil market based on the distribution channel can be further segmented into offline and online. The online segment held a dominant market share in the year 2021. It owns its success to the cost advantage it offers to the consumers.
- The online Segment is estimated to be the fastest-growing, with a CAGR of 10.1% over the forecast period of 2022-2027.
- As the company is planning to get into the business in the upcoming years which would be these, I think the higher focus should be online distributors instead of traditional distributors.

BIGGEST DISADVANTAGE TO ANY COMPANY ENTERING THE OLIVE OIL BUSINESS

- According to sources, one of the biggest disadvantages that the olive oil business faces is its price. Because olive oil is so costly to produce compared to other oils, it is much more expensive compared to other oils.
- A 1 litre olive oil can some-what cost around INR 799, however, the cost of substitutes such as refined oil only costs around INR 165. Hence, a difference of around 4x is hindering the market penetration of such products in the Indian context.
- Being a premium product, it is yet to become affordable for the masses, which is a major hindrance in its growth.
- As known by any business getting into the essential products sector in India, vast majority of Indians' spending habits are dictated by price, leaving olive oil well behind other cheaper cooking oils.
- 40% of Indians surveyed in a report said that they bought olive oil in 250ml bottles, allowing them to try out the product without making a larger financial commitment. This might be a good marketing strategy for the company in my personal opinion. For the first few weeks or months, if a customer purchases any Adani Wilmar company product, we can give the customers 50ml or 100ml trial olive oil bottles, so that consumers can test the product and include it in their daily usage.

KEY PLAYERS IN THE OLIVE OIL MARKET SECTOR

- DelMonte 
- BORGES INTERNATIONAL GROUP 
- Colavita 
- DiSano
- Figaro
- Deoleo
- Bertolli
- Field Fresh Foods Pvt Ltd
- Modi Naturals Limited
- Oleev Oil
- Amazon Solimo
- KinsFolk



TYPES OF OLIVE OIL SOLD IN INDIA

- Extra Virgin Olive Oil
- Virgin Olive Oil
- Refined Olive Oil
- Olive Oil Pomace
- Pure Olive Oil



EXTRA-VIRGIN OLIVE OIL

1



VIRGIN OLIVE OIL

2



REFINED OLIVE OIL

4



OLIVE-POMACE OIL

6



**OLIVE OIL OR PURE/
CLASSIC OLIVE OIL**

3



LITE/LIGHT OLIVE OIL

5



EXTRA VIRGIN OLIVE OIL

Figaro (SKU)	Figaro (Rupees) Normal/Online
250ml	399/186
1 Litre	1199/749
500ml	649/425
	Average Price/litre === 780
DelMonte (SKU)	DelMonte (Rupees) Normal/Online
250 ml PET	450/229
500 ml PET	900/449
1 Litre PET	1600/699
2 Litre PET	2400/981
5 Litre PET	5600/2899
1 Litre Normal	1600/1200
5 Litre Normal	3600/1889
	Average Price/litre === 700

Borges (SKU)	Borges (Rupees) Normal/Online
250ml	400/300
500ml	750/532.50
1 Litre	1400/854
1 Litre PET	1400/727
2 Litre PET	2700/1350
5 Litre PET	6000/3120
	Average Price/litre === 850

It is the best quality olive oil. It undergoes cold processing, which prevents the natural content from altering after exposure to high temperatures. As a result, it has a low acid content, even lower than virgin oil. Extra Virgin Olive Oil is the most consumed edible oil in the entire India.



OLIVE OIL POMACE

DelMonte (SKU)	DelMonte (Rupees) Normal/Online	DiSano (SKU)	DiSano (Rupees) Normal/Online
5 Litre (bigbasket)	3900/2099	5 Litre (bigbasket)	3995/1998
1 Litre (bigbasket)	1100/499	1 Litre (bigbasket)	995/478
		500ml (big basket)	565/271
5 Litre (amazon)	3900/2039		
1 Litre (amazon)	1100/360		
		5 Litre (amazon)	3845/1939
1 Litre PET (amazon)	900/479		
	Average Price/litre === 433		Average Price/litre === 452

Combined Companies (SKU)	Combined Companies (Rupees) Normal/Online
5 Litre (grofers) OLEEV	3999/1564
1 Litre (big basket) OLEEV	899/499
1 Litre (big basket) Cesar	700/378
5 Litre (grofers) OLEEV	3999/1723
1 Litre PET(big basket) La Espanola	899/399
	Average Price/litre === 390

- Olive pomace is the solid residue obtained from the olive oil production process (during pressing or centrifugation). This residue is treated with solvents to extract the oil it contains to obtain crude olive pomace oil. As it is not edible, it has to be refined to obtain refined olive pomace oil.

The production of olive oil

1.  **Olive harvest**
a. Hand picking
b. Shake with sticks and catch in the net
c. Harvest with large vibrators

3.  **Grinding**
a. With stainless steel mills
b. With heavy granite stones

5.  **Oil extraction**
a. By cold pressing
b. By cold extraction

7.  **Bottling**
The last step before enjoying at home

2.  **Cleaning**
Remove the leaves
Cleaning the fruits

4.  **Mixing**
Homogenization of the pulp

6.  **Filtration**
a. With the help of filters
b. Decanting



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- India does not produce 90% of its olive oil. 90% of the olive is imported from Spain, Italy, and Turkey
 - Olive oil is a viscous liquid that is obtained from the fruit of the olive tree by pressing whole olives.

LICENSE, PERMISSION, AND REGISTRATION

- We cannot just start the olive oil production process. We need to obtain a number of licenses and registration approvals from various government organizations
- 1. Company Registration with ROC
- 2. Trade License
- 3. SSI Registration
- 4. Factory License
- 5. Food Operator License
- 6. BIS Certification
- 7. 'No Objection' from the pollution control board
- 8. AGMARK certification
- 9. Fire License
- 10.FSSAI

MACHINERY REQUIRED TO START THE PRODUCTION

- Extra Virgin Olive oil, which is the most popular type of olive oil in india currently is a cold pressed kind of olive oil. Extra-virgin olive oil is made from pure, cold-pressed olives
- For producing Extra Virgin olive oil we need a crew oil press machine. The Automatic cold pressed oil machine is obtained at 2.5lakhs to 3lakhs rupees.
- The Hydraulic oil press is also popular as an olive oil cold press machine

OLIVE OIL RAW MATERIALS

- First and the most important thing required for producing olive oil are the raw materials. The single most important raw material required to produce olive oil are the RIPPED OLIVES.
- Olives are usually harvested from the month of November to late March as that is the time periods during which the required temperatures and conditions required are fulfilled
- Approximately, 1 Litre of olive oil requires 2,000 olives
- For producing extra virgin olive oil, other than ripe olives only warm water is required in order to flush away the bitterness of the olives

OLIVE OIL MANUFACTURING PROCESS

1. Collecting (by using a tree shaking machine) and grading the olives (meaning diving the olives into different categories)
 2. Washing (First, the olives must get through an aspirator, with magnets, fans and vibrating screen. Then, the olives get to washing tank to get rid of mineral dirt) and milling (Milling is the process of transforming the olives into olive oil. The milling involves grinding the olives into a paste.) olives
 3. Creating an olive paste through malaxation
 4. Cold-pressing the olive paste to extract the oil
 5. Separating the oil fro the vegetable water
 6. Storing and packaging the oil
- All of the above processes require machinery. Each of the processes require different machinery hence the fixed cost increases.
 - To produce one liter of olive oil, between four and five kilograms of olives are necessary. This indicates that the average yield of oil weight is approximately between 18% and 24% with respect to the weight of the olives processed to obtain it.



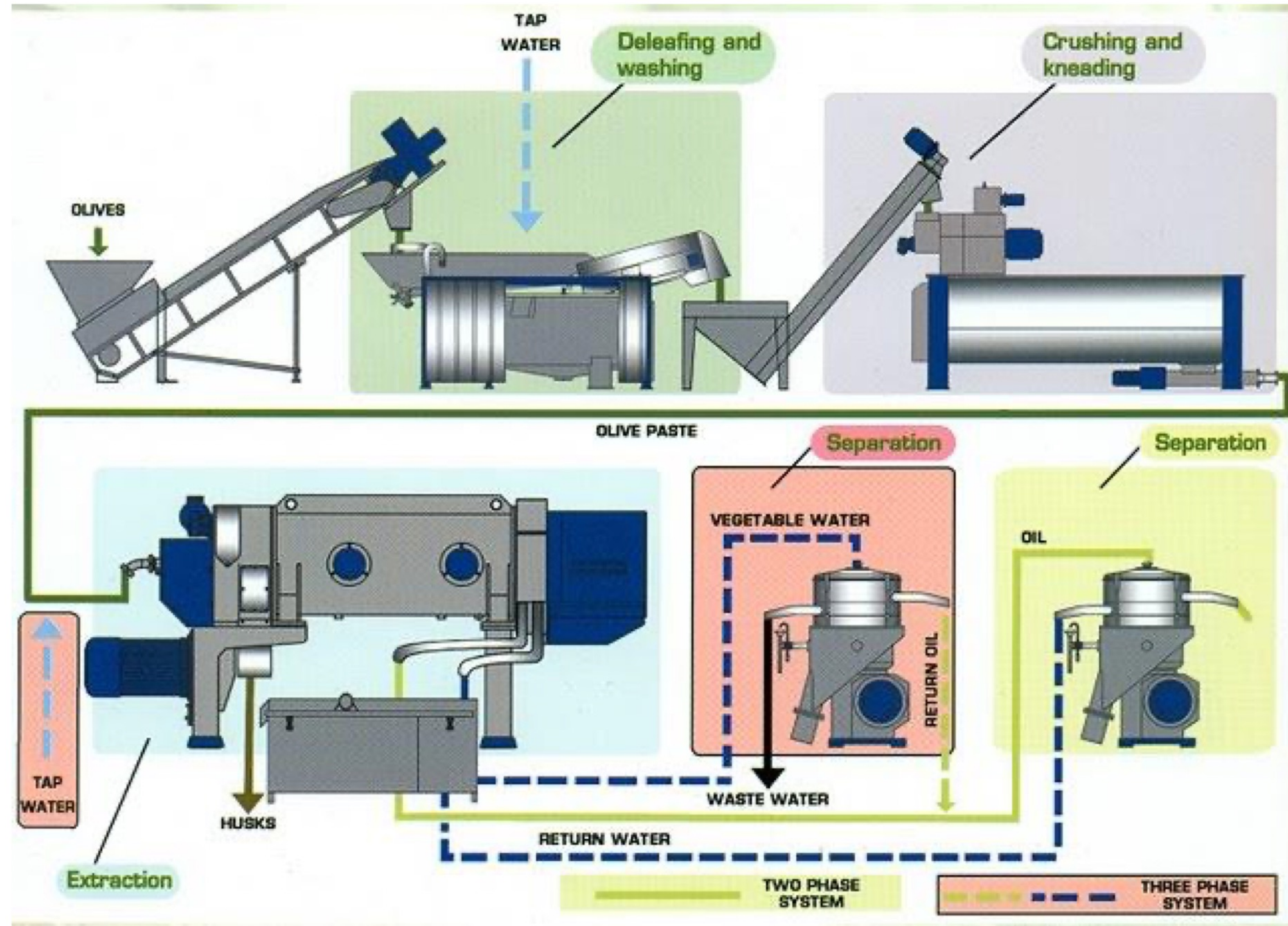
MALAXATION

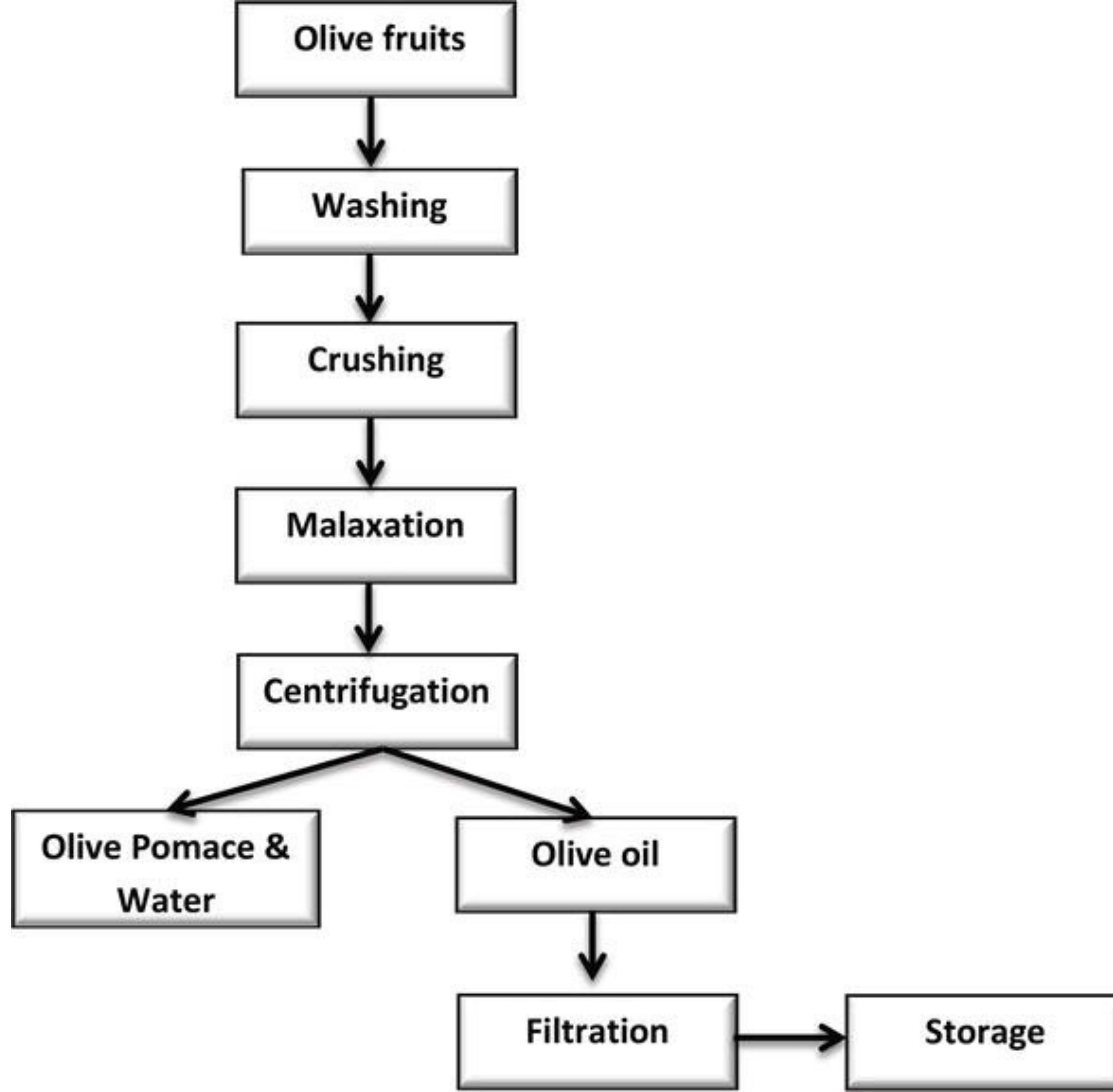
- Malaxation refers to the process of mixing the olive oil paste for 20-40 minutes at a temperature of 28 degrees Celsius to allow small oil droplets to combine into bigger ones. It is extremely important that the malaxing time is between 20-40 minutes
- Although longer mixing time can increase oil yield but it affects the olive oil quality.



1. *Metal Tooth Grinder*
2. *Hammer Mill*
3. *Centrifugal olive oil separator*

The Olive Oil Production Process:





OLIVE OIL MARKETING GUIDE



MARKETING STRATEGY QUESTIONS

- How is our oil dissimilar from the other brands ?
- What is so unique about our product that the consumers should shift from the other brands to our product ?
- Who will be our customers ?
- Packaging should be absolutely astonishing. If the packaging is good then it automatically attracts many customers. It not only attracts new customers but might also give the customers who use other brands another reason to shift to our product.
- If we as a brand can answer the first 2 questions and make our product unique by just one factor also, I think we can gain a huge percent of the market share.
- As mentioned in one of the previous slides, we should be focusing more on the online than the offline part as in the online business, the sales are 14% more than offline business.
- We should focus more on the metropolitan cities such as Delhi and Bombay as the population is more there and hence a better advantage for more sales
- We also could target a few cities which aren't metropolitan. We could spread awareness in those cities for a few months. We could do television advertisements, posters etc, so that the people come to know about the many advantages of the product. Then after the people are convinced and know about all the benefits, we can launch our product. We could try this for 3-4 cities and then if the result is good, we could use this for other small cities as well

CONTINUATION

- One of the most important factors that affect the sales of a product is the price of a product
- The demand of a product is inversely proportional to the price. The higher the price of the product the lower the demand
- If we can somehow decrease the production cost for olive oil and sell it at a lesser price than the other companies, we can gain maximum market share for olive oil
- Adani Wilmar is a brand that is recognized greatly all over the country. Its flagship brand Fortune is used in more than 90 million households. We could launch the olive oil at a lower price through the Fortune brand. It would affect the sales greatly.
- We would have to do a lot of advertising for our product informing people as to why our product is better than the others. I feel that we should create a slogan for our product. An extremely catchy slogan with a deep meaning that conveys a strong message about our product.
- Once our brand is known to all the people and we can see a growth in the olive oil sales, we can then increase a price a little bit to match our competitors. This would increase the profit and help regain the amount lost initially due to the low prices.

- Advantages for Adani Wilmar that other companies do not have :—
 1. The company has strong brand recall value; fortune is one of the largest edible oil brands in India
 2. The company has leadership in branded edible oil; the company caters to 17% of the market share
 3. Adani Wilmar is the largest edible oil importer, creating bargaining power for better raw materials quality.
 4. The company has one of the largest distribution networks; it is present in 1 out of every three households
- All of the above give the company a significant advantage in production. And as mentioned before due to the company's brand image, it really helps a lot in the sales department. Brand loyalty will play a huge role. Customers would shift from other olive oil brands which they currently use to our product.

Thank
You