



NAMMAN MUAY

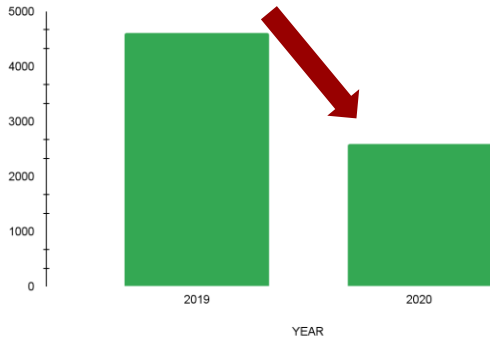
To create world class healthcare products for
better everyday life and achievement.

Team Raven

CARMELIA/ENRICO/KAMONNUT/PIYUSH

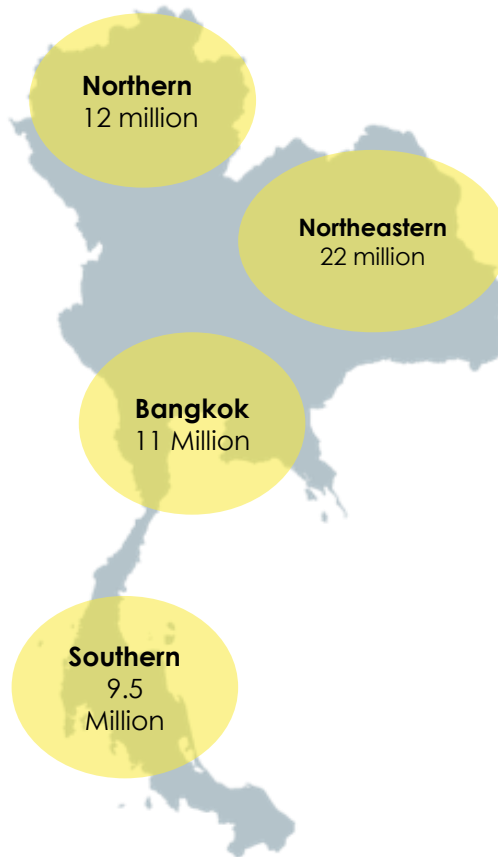
The Decline of The Market

The Market had slumped by **43.81 %** from 4611 million baht in 2019 to 2591 million baht in 2020.

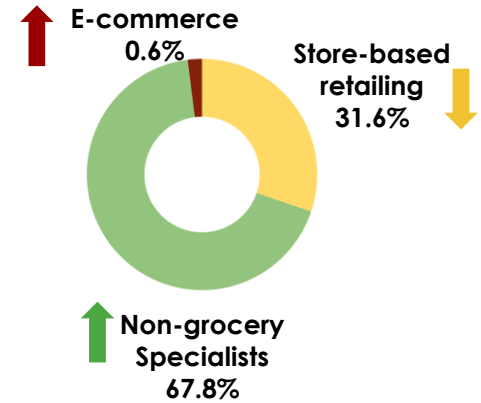


E-commerce

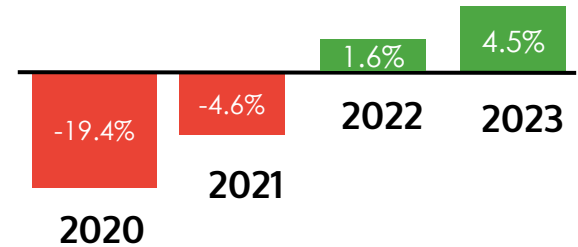
Ecommerce 2020 - 2021: forecast growth : **36%**



Distribution Channel



Prospective Growth



Source : Euromonitor, Case study, citypopulation.de

Sampling

M= Mean

We conducted a primary research on Sedentary segment 6 elderlies and 4 office syndromes (gen Y and Gen X) in Bangkok (Relatives in Thailand)

Sedentary	Age						Mean Age
	66	68	73	74	79	83	
Elderly	66	68	73	74	79	83	73.83
Office Syndrome	37	39	46	52			43.50

The formulated questions were:

1 How often do you exercise before and after covid?



60%

Exercise once a week decreased from twice a week

2 What do you do in your free time?



70%

Watch TV/Netflix



3 Have you tried Namman Muay Topical Analgesic? If not, what other brand have you tried?



40%

Tiger Balm

30%

Namman Muay

30%

Others

4 If yes, is there any problem you've encountered with it?



33.3%

Too strong scents

33.3%

Too overbearing sensation

33.3%

Both

Source : Primary Research

Increase in Sedentary Lifestyles:

Elderly

Age (65+) :

- Accounts for **7.6%** of total Thai population
- Prefers the old ways & prioritizes health
- Income: 12.000 baht per month
- Increasing health problems (joint problems, ligaments)

Office Syndrome

Accounts for **43%** of total Thai population

- Technology oriented
- Health problems
- RSI (Repetitive strain injury) back pain neck pain from office work

Causes

1. Increased **occupational hour** for work e.g (Nurse up to 50 hrs overtime))
2. Increased penetration of **Technology** to replace leisure time
3. Other Factors e.g lack of infrastructure

Decrease in Active Lifestyles:

Athletes

Active lifestyle characteristics:

- MuayThai fighters or marathon runners
- Prefer strong scent as it is Motivating and synonymous to strength

Blue-Collar workers

Blue-collar worker:

- Strenuous work that requires muscles to move around
- Prefers stronger content of product (Namman Muay) as it helps their efficacy during their job
- Association of scent towards motivation and burst of energy

Causes

- The growth of its main market is mature (stagnant)
- The occurrence of Covid-19 which forces all related facilities essential to this market to be enclosed

Source : NCBI, Euromonitor, Case study, Bangkok post

Exercise (Weekly)

- Average Frequency of **once a week** (work out)
- **60%** of Generation X & Y prefers running as an exercise
- **70%** of Elderly prefers cycling as their means of exercise



Shopping (Monthly)

- **74.7%** of this segment prioritizes Beauty & Healthcare items and grocery (**74%**)
- **61%** of it prefers on physically be in store
- Average Frequency of **1 - 3** x per month



Behavior:

- Health oriented
- Very brand- conscious and brand-loyal
- Less intense price sensitivity
- Increase in reliance of technology
- They love products that have deep emotional connection with them

Pain points:

- Fear of side effects (The emergence of Camphor)
- Scent Is too overbearing & distracting (Contrary purpose)
- Feels no sense of connection between the brand and their needs

Technology (Daily Basis)

- **90%** of this segment goes to browse online for entertainment
- **87%** Of this segment watches TV
- **70% of Generation X & Y** uses social media
- **45%** of Elderly uses social media



Leisure Habits

- **70%** of this segment chooses shopping as a mean of stress relieve
- **61%** of this segment takes 1- 3 trips abroad or domestic



Source : Euromonitor, Primary research, research gate



Namman Muay



Tiger Balm

Customers

- Mainly **Athletes** and **blue collar** workers
- with a handful mixture of elderly



Customers:

- Tourists
- **All users**



Distribution channels

- Physical convenience: Lotus, Big C
- E-commerce: Lazada, own website
- Pharmacy stores



Distribution channels:

- Grocery retailers (7/11)
- **E-commerce: Lazada, own website**
- Pharmacy stores

Strengths

- **Liniment oil** : the scent that motivates and energizing for athletes.
- Strong brand image



Strengths:

- Strong market presence in **Patch** format
- Scents are perceived to be soothing and pleasant

Weaknesses

- Products, the scent **isn't suitable for normal daily activities** (Complaint)



Weaknesses:

- Sales highly dependant on **tourists**

Products:

- Liniment
- Balm
- Creme
- Sponge



Products:

- Liniment
- Balm
- **Patches - Biggest market**
- Mosquito repellent

Source : Case study, Interview, review, vice

1. Product

- Liniment
- Cream
- Spray
- Balm oil
- Sponge



2. Price

Products' Price range:
Competitive pricing

- (S) 30 - 75 THB
- (M) 65 - 200 THB
- (L) 85 - 295 THB

3. Promotion

- Endorsement: BuaKaw Banchamek
- Advertisement: Sports as one of the examples



4. Place

- Physical: Grocery stores such as 7-11, Pharmacy store such as Boots
- Non-physical: E-commerce (Lazada & shopee)

Source : Team Analysis, Nammanmuayofficial.com

KEY PROBLEMS

- 1. The decline in the market of Topical Analgesics**
- 2. Low brand awareness regarding Namman Muay Sponge and spray products**

OBJECTIVE

Effectively targeting the domestic market by integrating the short and medium marketing strategy tools to effectively assist Namman Muay to earn domestic revenue of **₹350 million** by 2023

KEY QUESTIONS

How can Namman Muay change the perception of customers towards its brand and make its way in everyday needs while educating customers about its existing product such as sponge?

How can Namman Muay enter the Patch format segment and compete against the likes of Haw Par Bros to become a strong competitor and add a new source of revenue?

RECOMMENDATIONS

Universalize

Widening brand image to the public about Namman Muay from producing athlete specified products to producing a universalized product. Partnership with HAPPY NOZ and adjust the smell and packaging of sponge & cream format

Propel

Introduce patch with unique design and functionality which is Ergonomic fit with a spiky sponge design. Besides, offer both design including conventional beige patch and designer patch.

IMPACT

Projected Revenue growth: **CAGR: 26.57%**

Projected revenue growth by **₹178 Million** in 3 years to reach ₹365 Million by 2023

Source : Team analysis



Universalize



KEY IMPLICATIONS AND KEY ISSUE

People perceive 'Namman Muay' products as athletic resulting in difficulties penetrating the market for new products such as Namman Muay sponge and targeting new segments which can potentially increase brand awareness, sales, and growth rate



KEY QUESTION

How can 'Namman Muay' change the perception of customers towards its brand and make its way in everyday needs while informing customers about its existing product such as sponge?



Customers' perception

“Suitable for athletes only”

“Product for boxers”

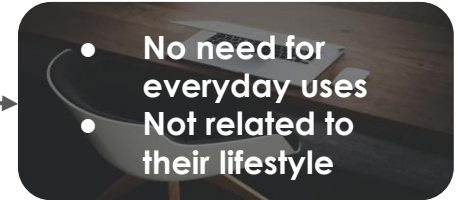
“Scent is too intense”

“Used only when working out”



Introduce new brand images

Since,



Therefore,

Create new brand image and the needs for **EVERY USER**

However,

The existing brand image will not be hampered. The strategy is we segment into **two different groups of customers**



Source : Team analysis

Phase 1

Phase 2

~~Widening brand image to the public~~

Spread awareness of Namman Muay from producing athlete specific products to producing a universalized product

Market testing before partnering

1. ~~Selecting potential customers~~

Who have sedentary lifestyle through :

- Point of sale display in Big C
- Lotus (sales promotion)

with the representative of Namman Muay.

2. ~~Interview~~

Interviewing selected people regarding the new potential product to determine the appropriate scents

3. ~~Free samples~~

Give away the new small pouches of cream with the scent of their choice



Partnership with "HAPPY NOZ"

"Happy Noz specialises in stickers"

Why?

Partnership demands low expenditure with no Capital investment

Resulting in,

Increase brand awareness

Help introduce a new brand perception

Adjust the scent of the oil to suit everyday uses

3-month plan

Introduce scented stickers for masks, clothes etc.

For promoting new segment of products



Source : Team analysis

Phase 1

Phase 2

Create awareness about sponge and cream format

Adjust the scents of sponge and cream to be less intensive & skin friendly

Adjust the packaging more fun and modern
Include more infographic

Sponge:

- Grapefruit/Lavender Fragrance (Depends on the data collection results)
- Change packaging

Cream: Split into 2 types

- Original formula & packaging
- Grapefruit/Lavender Fragrance & packaging (Depends on the data collection results)

****Target new Segment**
(sedentary lifestyle)

****Target new Segment**
(Active & sedentary) &
Retain Existing one

2-year plan

Why Grapefruit?

Grapefruit oil can encourage the production of enkephalins, neurotransmitters that act as natural painkillers



Add a boxing or fighting related design (Muay Thai) into the current LOGO

To represent,

Namman Muay's history and bring out the strength in representative of the efficiency of the medication

Source : Team analysis

Active lifestyle



Product Characteristics:

- Products remain the same
- No impact on Core Competency and Heritage
- High composition of substances will still be maintained as the users will often need fast recovery

Source : Team analysis

Sedentary lifestyle



Suggested
Sponge
Packaging

Suggested
Cream
Packaging

Product Characteristics:

- Methyl Salicylate: Reduced potency from 17% down to 12% because of concerned customers.
- Also, the sedentary users requirement is of a lesser powerful product
- New: Grapefruit or Lavender scent

Marketing strategy

Create emotional **TV (Channel 7)** and **YouTube** advertising, targeting elderly and tech-savvy people rather than athletic or sporty people

Required messages

- Working Parents
- Home Parents
- Kids
- Elderly

In commercials:
Little animated **Muay Thai fighter** fight off the pain for "you and your family"



Examples of advertisements for emotional impact

New Distribution channels

Nursing homes



- Large & consistently **growing** market
- Eg. Banbangkae, Sansiri home care
- Sell for **10% discount** as ethics and CSR

Family mart

FamilyMart

- More **localised** products than 7-11
- Fragmented with **1100 branches** throughout the country

Bangkok pharmacy stores

ร้านยากรุงเทพ

- A well-known & **affordable** pharmacy store
- **101 branches** in Bangkok

Source : Team analysis

SITUATIONAL ANALYSIS

UNIVERSALIZE

PROPEL

FINANCE



Propel



KEY IMPLICATIONS AND KEY ISSUE

The patch format market is largest in terms of revenue and the most hit due to Covid-19 pandemic, but is not explored by Namman Muay in their product lineup

KEY QUESTION

How can Namman Muay enter the Patch format segment and compete against the likes of Haw Par Bros to become a strong competitor and add a new source of revenue?

Introduce patch pain reliever product

Unique Selling Point

Ergonomic fit with a acupressure design giving **massage-like pressure** feeling & increasing blood circulation

Hot and Cool patch

- Small for palms & shoulder
- Big for leg & back

Active ingredients:

- Methyl Salicylate (+/-10%)
- Menthol

Fragrance: Lavender

Introduce 2 forms of patch

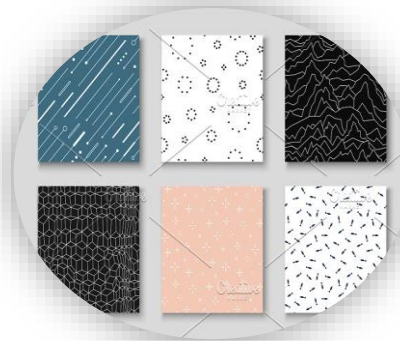
- Conventional **beige** patch
- **Seasonal Designer** patch; SEA Games

Target Audience

- Sedentary lifestyle
- Active Lifestyle



Conventional beige patch

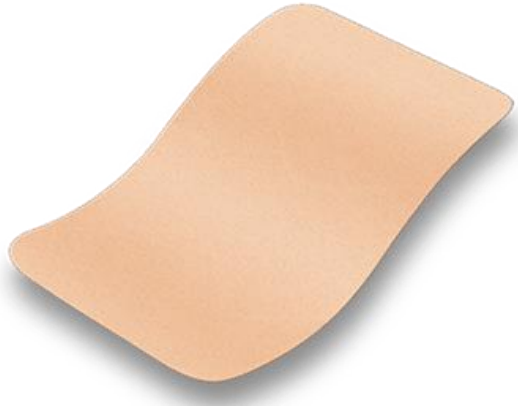


Example of Designed patch

Large Size (8 x 4 inches each) : **199 Baht**
Small Size (4 x 2.75 inches each) : **49 Baht**

Source : Team analysis

Existing patch



Standard patches

Difficulty in removing

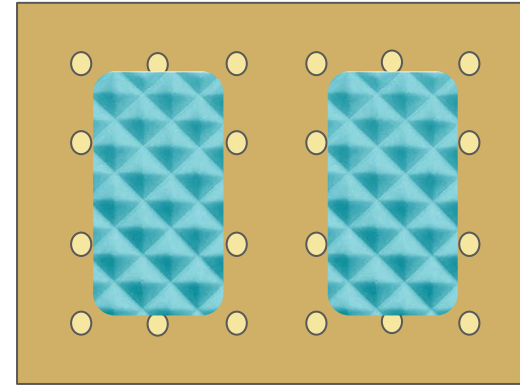
Ingredients include Opioids (addiction)

Standard design with minimal difference across brands

Air holes only present in few brands

Source : Team analysis

Namman Muay Patch



Namman Muay Ergonomic Patch

Ergonomic fit - **Marma Acupressure** design

No Opioids

Pressure and massage like feel

Breathable air holes

Marketing Strategy

TV (channel 7) and Youtube Advertisements:



- Elderly - watch TV and News
- Work From Home: active on YouTube → 10 seconds unskippable ads

Collaborate with Influencers:

- Tiktok (@proud_review 1.7M followers)
- Collaboration with celebrity to further promote Namman Muay's new patch
- Credible and engagement rate over 3%



Source : Team Analysis

New Distribution channels

Family mart

- More **localised** products than 7-11
- Fragmented with **1100 branches** throughout the country

Nursing homes

- Large & consistently **growing** market
- Eg. Banbangkae, Sansiri home care
- Sell for **10% discount** as ethics and CSR

Nutrition supplements and Sports stores

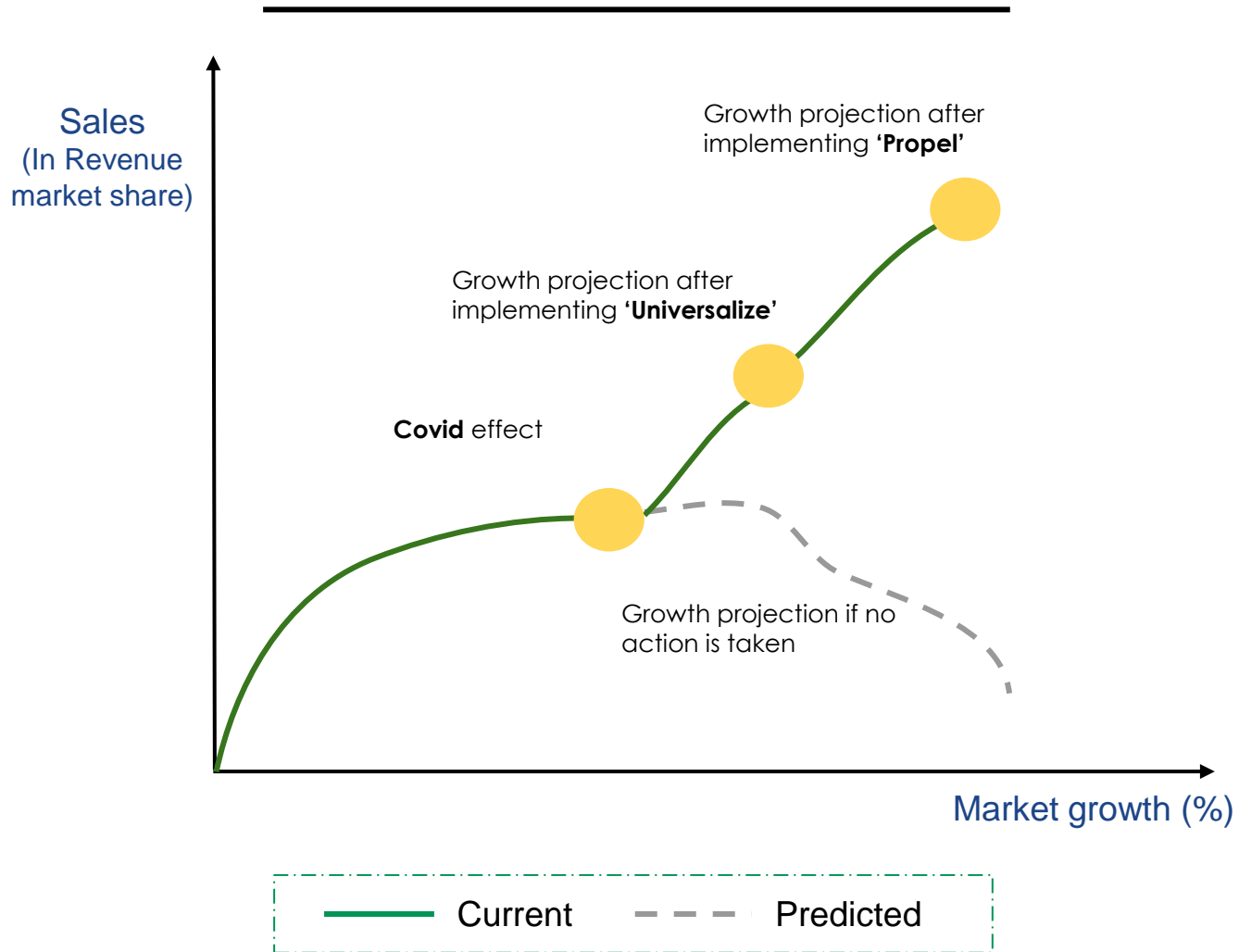
- Target: Active lifestyle customers
- Example:
 - Nutrition Depot
 - Decathlon



The background image shows a blurred digital dashboard with several panels. The top right panel displays 'CTR 14.65%' with a '+ 10.6%' change and a green line chart. Below it, another panel shows '9.38' with a '- 0.1%' change and a blue line chart. The overall theme is financial analysis and data visualization.

Financial Analysis

S-Curve projection Chart



Source : Team Analysis

Cost analysis of two strategies

Value in Million THB

Universalize

Research and Development	฿5.00
Patent and Licensing	฿2.00
General Admin Expense	฿2.00
Other expenses	฿20.50
Total	฿29.50

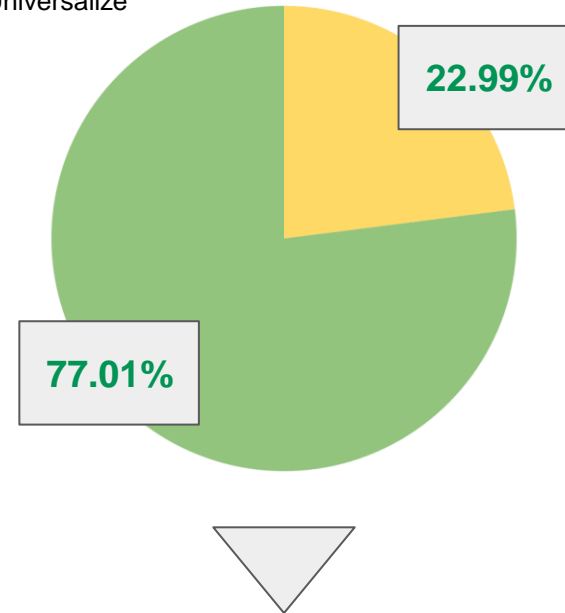
Propel

Research and Development	฿20.00
Patent and Licensing	฿2.00
Machinery	
Production	฿15.50
Packaging	฿6.20
General Admin Expense	฿12.00
Other expenses	฿43.11
Total	฿98.81

Source of fund: 50% Internally generated
25% ST-Debt,
25% LT-Debt

Cost Proportion

- Propel
- Universalize



฿128.31 million accounted as the total cost

Source : Team Analysis, Alibaba

Key Assumptions



Namman Muay sales regain to **฿230** Million in 2022 and **฿250** Million by 2023



Patch market revives to **฿1250** million in 2022 and **฿1850** million in 2023

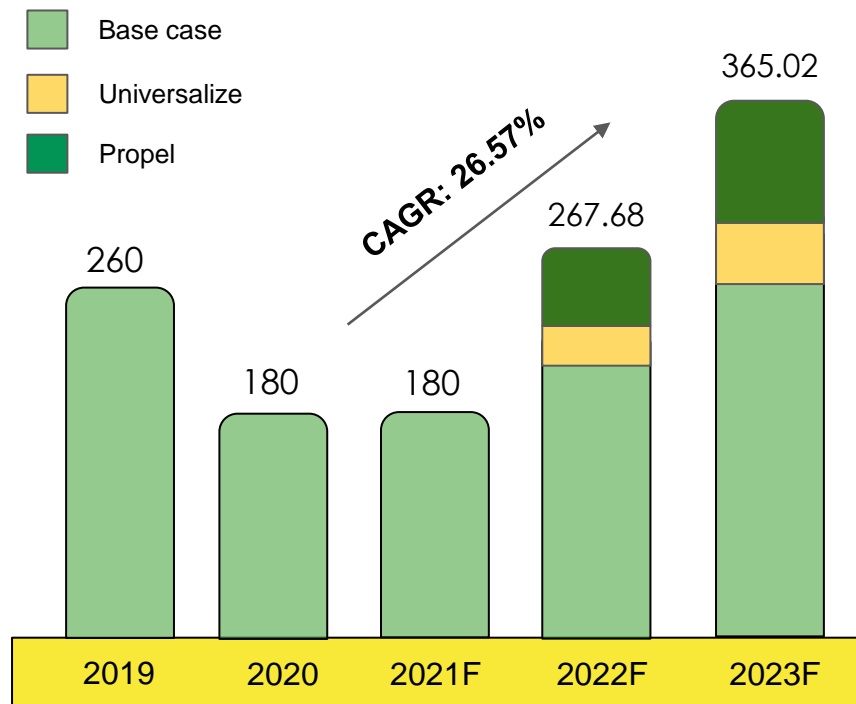


Revenue Market share within Patch format of **1.5% by 2022** and **5% by 2023**



Tourism Industry revives at least **25% by 2023**

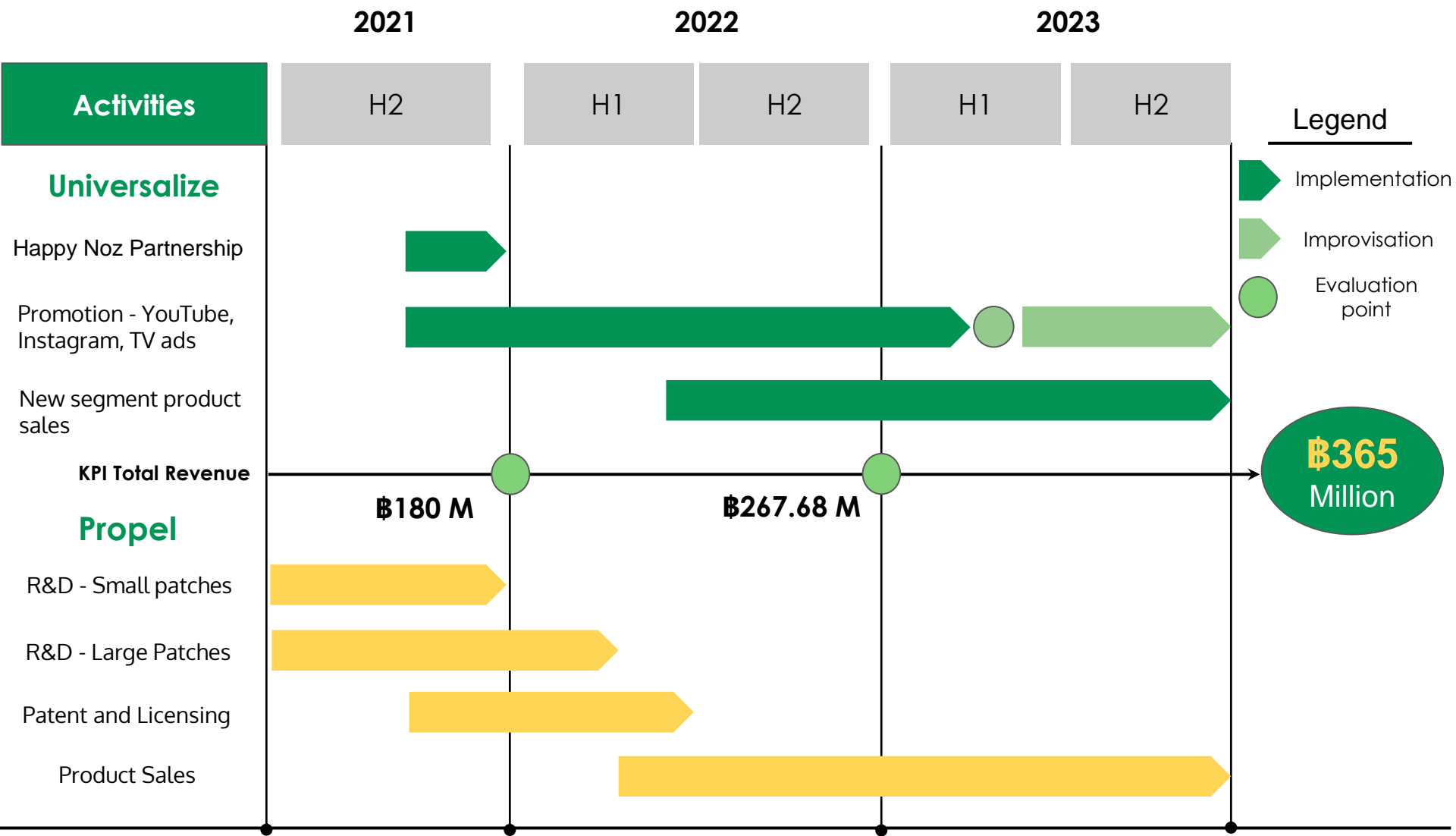
Revenue Projections



+฿178 Million in 3 years
Total Incremental value over 3 Years

Source : Team Analysis

Timeline Implementation



Source : Team Analysis

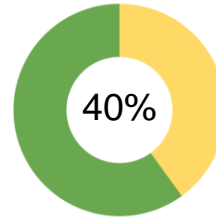
Risk

Ability to tackle

Mitigation action

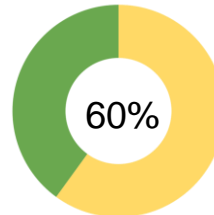
Severity of risks

1. The R&D for the patches take longer than expected



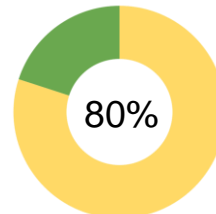
Focus on promoting the unique design of the patches to create awareness amongst potential customers

2. Covid remains longer than expected



Consider it an opportunity and re-allocate expenses towards digital marketing

3. The targeted segment isn't responding to these initiatives as expected



Nourish a deep and mutual relationship with the target segment by targeting their pain points and prioritize them.

Probability of occurrence

Source :

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Introduce patch with unique design and functionality which is Ergonomic fit with a spiky sponge design. Besides, offer both design including conventional beige patch and designer patch.

IMPACT

Projected Revenue growth: **CAGR: 26.57%**

Projected revenue growth by **฿178 Million** in 3 years to reach ฿365 Million by 2023

Source : Team analysis

A large yellow can of BSN Boxing Liniment is positioned on the left side of the image. The can features the BSN logo and the text 'BOXING LINIMENT' in English and Thai. In the background, a Muay Thai fighter is in a boxing stance in a ring, with ancient Thai temple ruins visible behind him. The entire scene is overlaid with a dark, semi-transparent filter.

Thank You !
The floor is now open for Q&A.

Forecasted P&L Statement

Profit and Loss Statement (in Million THB)				
	2020	2021F	2022F	2023F
Revenue - Domestic	180	180	268	365.0
Revenue - International	22	35	70	150
Total Revenue	202	215	338	515.0
COGS	95	95	145	217.0
Gross Profit	107	120	193	298.0
Distribution fee	12	15	25	38
Selling expense	12	12	20	35
A&P expense	25	30	50	80
General Admin expense	50	50	60	71
Total SG&A	99	107	155	224
EBIT	8	13	37.7	74.5
Interest expense	6	5	6	7
EBT	2	8	31.7	67.5
Taxes	0.4	1.6	6	13.5
Net profit	1.6	6.4	25.3	54.0

Year	Total revenue	Gross profit	% of Gross profit	SG&A	% of SG&A	Net profit	% of Net profit
2018	195	95	48.72%	80	41.03%	10	5.13%
2019	287	157	54.70%	148	51.57%	3.2	1.11%
2020	202	107	52.97%	99	49.01%	1.6	0.79%
2021	215	120	55.81%	107	49.77%	6.4	2.98%

Universalize: Incremental revenue scenarios

2022

Base Case		2022
Incremental Revenue		Million baht
Sponge		8.7
Quantity	100,000	
ARPU	87	
Cream		7.10
Quantity	120,000	
Cost	59.2	

Best Case		2022
Incremental Revenue		Million baht
Sponge		10.44
Quantity	120,000	
ARPU	87	
Cream		8.52
Quantity	144,000	
Cost	59.2	

Worst Case		2022
Incremental Revenue		Million baht
Sponge		6.96
Quantity	80,000	
ARPU	87	
Cream		5.68
Quantity	96,000	
Cost	59.2	

2023

Base Case		2023
Incremental Revenue		Million baht
Sponge		13.05
Quantity	150,000	
ARPU	87	
Cream		9.47
Quantity	160,000	
Cost	59.2	

Best Case		2023
Incremental Revenue		Million baht
Sponge		15.66
Quantity	180,000	
ARPU	87	
Cream		11.37
Quantity	192,000	
Cost	59.2	

Worst Case		2023
Incremental Revenue		Million baht
Sponge		10.44
Quantity	120,000	
ARPU	87	
Cream		7.58
Quantity	128,000	
Cost	59.2	

Propel: Pain Patch Revenue scenarios

2022

Base Case		2022
Revenue - Patch	Quantity	Million baht
Hot patch		13
Large size	13,191	
Small size	214,286	
Cold patch		9
Large size	8,794	
Small size	142,857	
Total revenue		21.88

Best Case		2022
Revenue - Patch	Quantity	Million baht
Hot patch		16
Large size	15,829	
Small size	257,143	
Cold patch		11
Large size	10,553	
Small size	171,429	
Total revenue		26.25

Worst Case		2022
Revenue - Patch	Quantity	Million baht
Hot patch		11
Large size	10,553	
Small size	171,429	
Cold patch		7
Large size	7,035	
Small size	114,286	
Total revenue		17.50

2023

Base Case		2023
Revenue - Patch	Quantity	Million baht
Hot patch		56
Large size	83,668	
Small size	792,857	
Cold patch		37
Large size	55,779	
Small size	528,571	
Total revenue		92.50

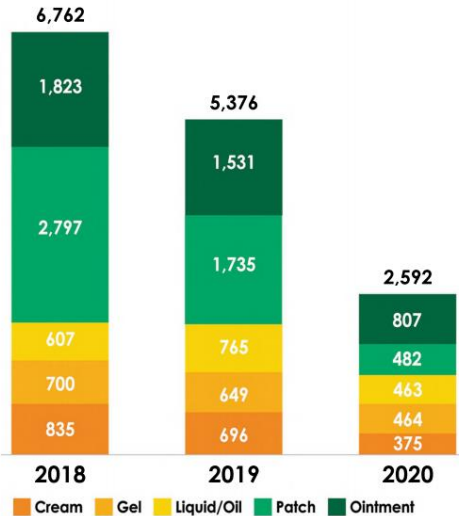
Best Case		2023
Revenue - Patch	Quantity	Million baht
Hot patch		67
Large size	100,402	
Small size	951,429	
Cold patch		44
Large size	66,935	
Small size	634,286	
Total revenue		111.00

Worst Case		2023
Revenue - Patch	Quantity	Million baht
Hot patch		44
Large size	66,935	
Small size	634,286	
Cold patch		30
Large size	44,623	
Small size	422,857	
Total revenue		74.00

Geography	Category	Outlet Type	Data Type	2015	2016	2017	2018	2019	2020
Thailand	Analgesics	Store-Based Retailing	Retail Value	99.6	99.6	99.6	99.6	99.6	99.4
Thailand	Analgesics	Grocery Retailers	Retail Value	32.7	32.9	31.3	31.8	31.8	31.6
Thailand	Analgesics	Non-Grocery Specialists	Retail Value	66.9	66.7	68.3	67.8	67.8	67.8
Thailand	Analgesics	Non-Store Retailing	Retail Value	0.4	0.4	0.4	0.4	0.4	0.6

Market Share by Format

(in millions of baht)



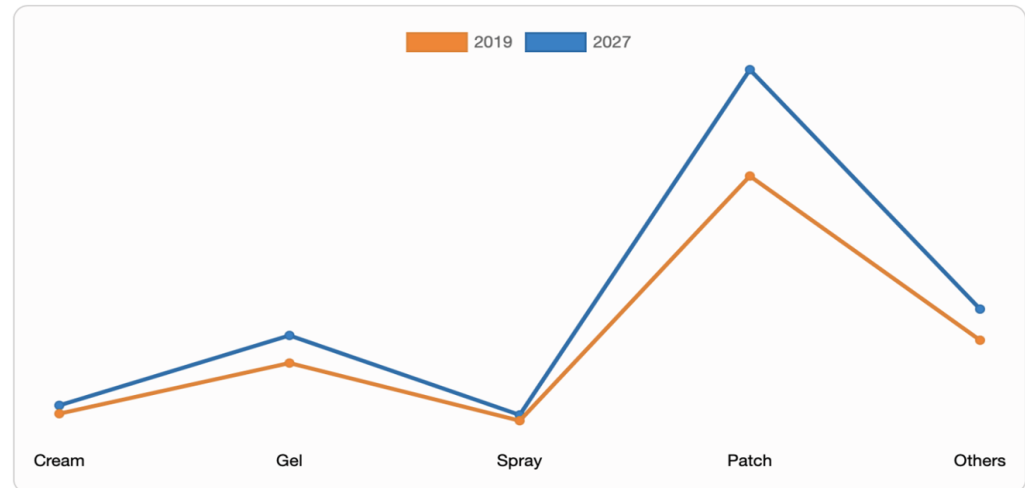
Source: IMS[®]

Note: Numbers are illustrative and for purposes of case discussion only.

Actual numbers might deviate from what is presented above.

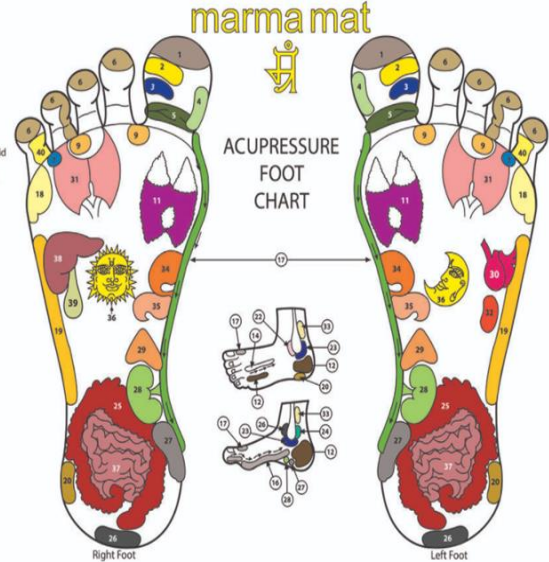
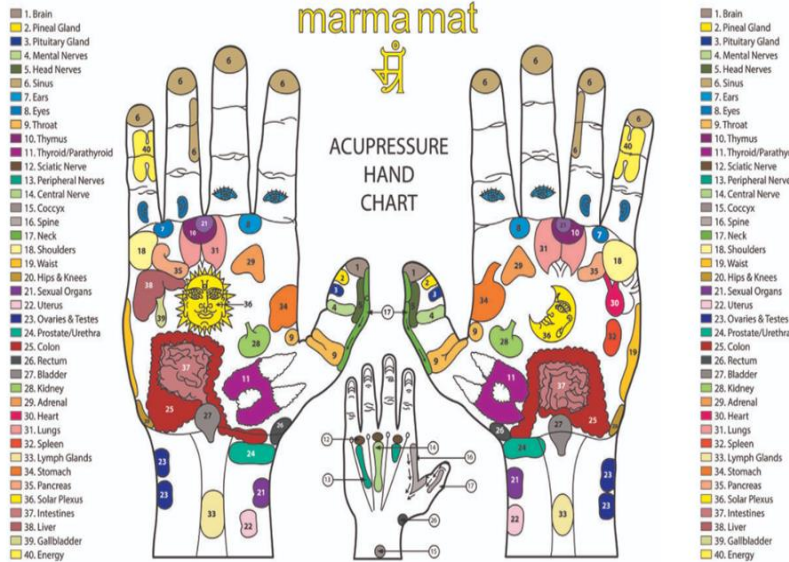
Topical Pain Relief Market

By Formulation

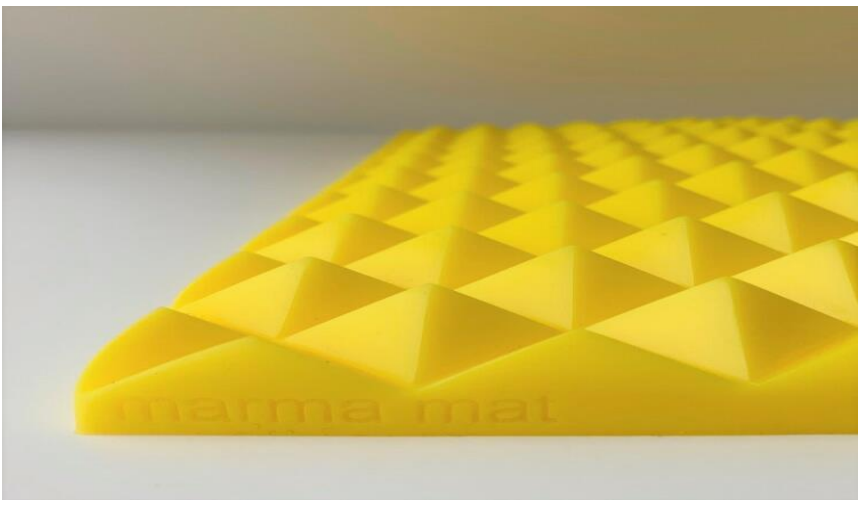


Patch segment holds a dominant position in 2019

Backup Slides



Reference charts for use with marma mats.



21:02 tiger balm allergy

Severe Allergic Skin Reaction After Use Of Red Tiger Balm

J. Vauzel, D. Dondola, N. Gentilier, A. Nardon, A. Courtois, P. Barandiaran, M. Labadie

INTRODUCTION

The red tiger balm is an old product. It is available since more than 100 years and is distributed in more than 100 countries. The application of red tiger balm induces local warmth. In normal use, 3 to 4 daily applications are recommended by the seller. It is used for muscular pain and back pain.

It is composed by petroleum, synthetic wax, camphor, menthol, melaleuca leucadendron cajuputi oil, mentha arvensis oil, benzyl alcohol, eugenia caryophyllus flower oil, cinnamon, eugenol, limonene, coumarin, linalool, isoeugenol, cinnamyl alcohol. No major side effect of topical use was previously described.

CASE REPORT

A 50 years woman applied tiger balm on her left knee for the first time for arthralgia. She also took orally 1000mg of ketoprofen. She immediately felt burning sensation and tingling on the application zone, on contralateral knee in contact and on the both hands. She washed it immediately but an erythema appeared rapidly, followed by bullous eruption only on knees. Two day after, she consulted at the emergency department, the physician reported grade 2 burning like lesions with erythema, pruritus and bullous eruption on the both knee and an contact eczema on both hands.

For treatment, she needed steroid local treatment and daily nursing. Symptoms were present during 7 days. She was healed after 16 days. A scar is still remaining but she does not have any movement restriction. She had no medical history except an allergy to hymenoptera and caterpillars. She didn't take any treatment.

Day 2: [Images of skin lesions]

Day 16: [Images of healed skin]

Complementary allergic tests were performed 35 days after the event : Allergies to tiger balm, linalool and limonene were found.

Allergic test: [Images of allergic test results]

DISCUSSION

We report the first case of major allergic skin manifestations following the application of red tiger balm. In this compound, only camphor, that induces local warmth, is recorded as deadly toxic. Cutaneous inflammatory effects after tiger balm application were recorded after 21 days of application on rabbits. No immediate skin inflammation was described in the literature. The common manifestation of allergic skin reaction is a local inflammation with pruritus but rarely a bullous eruption. We don't know the origin of the sensitization before this reaction. In this case of allergic reaction, they are 2 suspected compounds :

The linalool which produces linalool oxides in contact with oxygen (hydroperoxides, furanoxides, pyranoxides, alcohols and linyl aldehydes), and was described to induce skin sensitization [1].

The limonene which is an aromatic component present in food and drink for lemon-like odor and was also described to induce skin sensitization [2].

They are no record of major allergic effect with any of these components individualized or associated. Both linalool and limonene were recorded as component of tiger balm. This case was reported to "cosmetovigilance".

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ResearchGate

PDF) Severe allergic skin reaction after use of red tiger balm

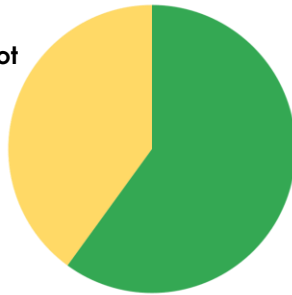
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Primary Research Data

1.

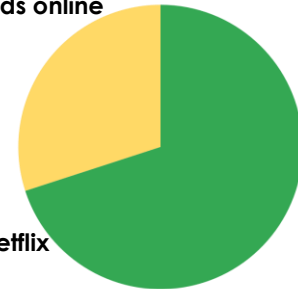
1 - 3x a week not exercise 40%



2- 3x a week
Decreased from
twice a week
60%

2.

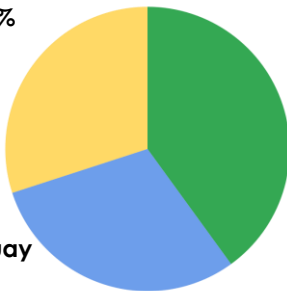
Talk to friends online 30%



Watch TV/Netflix
70%

3.

Others 30%



Tiger Balm
40%

Namman Muay
30%

4.

Extreme sensation 33.3%



Both 33.3%

Too overbearing
scents
33.3%