

classmate

BE BETTER THAN YOURSELF

The notebook industry has evolved in the last two decades, the pace of which has hastened since the launch of Classmate in 2003. Armed with superior products and an unmatched distribution reach, Classmate has changed the contours of the notebook industry, enhancing the entire consumer experience and has become a benchmark for both consumer and competition alike.

Market

The Indian school system with over 260 million primary and secondary students (K-12), spread across 1.5 lakh schools is the largest in the world and comprises both public and private institutions. While private schools cater to 43% of the enrolled students and form only 25% of the total number of schools, public schools cater to 57% and contribute to 75% of the total number of schools. The current per capita (PPP basis) spend on education is about US\$ 500, which is about four times less than the average per capita spend of upper middle income countries.

The stationery industry in the country is estimated at over ₹ 17,000 crore in consumer spends. Of this, notebooks is the largest segment accounting for over 50% of the industry value. The potential of the stationery industry has been caught the eye of international players in the last decade, who have since started operations in the country through the buy-out/ joint venture route, increasing the competitive complexity in this industry.

Prior to the launch of Classmate, the notebook industry was highly fragmented, non-standardised and commoditised, flooded with a plethora of local brands, characterised by low quality, similar looking products. This also impacted consumer expectation and lowered their involvement in purchase, in this category.

Achievements

Classmate has steadfastly grown year-on-year since its launch. The brand had not only become the market leader in the notebook segment by the end of 2007, a mere five years since its launch, it had displaced large regional and local brands, which had been in existence far longer and enjoyed high recall amongst customers.



times the closest competitor in sales. Classmate enjoys a mind share of over 60% which is nearly ten times that of the next competitive brand. All in all, Classmate remains an unchallenged leader in the notebooks segment. The brand has helped the Education and Stationery Product Business (ESPB) of ITC become one of the largest and fastest growing stationery companies in the country.

History

The Education and Stationery Product business was started by ITC towards the end of 2001. It brought together understanding of paper and board from its Paper Boards division, printing knowledge from its packaging business and branding, trade marketing and distribution practices from the FMCG business. The combination of these helped ITC create a winning business proposition and Classmate was born in 2003 marking ITC's entry into the school and college notebook category. Over the years, Classmate has transformed itself from being just a notebook brand. It now offers a complete stationery range including high-quality writing instruments (ball, gel & roller pens and mechanical pencils), mathematical instruments (geometry boxes), scholastic products (erasers, sharpeners and rulers), art stationery products (wax crayons, plastic crayons, sketch pens and oil pastels) and early learning products (puzzles).

As the product portfolio of Classmate spread, millions of Indian school children gained access to educational products of global standards.

Product

The Classmate notebook is a manifestation of the environmental capital built by ITC in its paper business. The paper and board used in the notebook is sourced from ITC's

Paper and Speciality Boards business, a pioneer in environmentally-friendly

The brand did not stop to bask in these early laurels but continued its journey to gain a lion's share in the notebook industry. The task Classmate laid out for itself was to change the entire consumer product experience, thereby increasing involvement in the category and creating an indelible mark in the consumer's mind for the brand. The core pillars in achieving this task were building a strong brand proposition, developing superior products based on deeper understanding of the customer and a pan-India distribution network to make the product available across every nook and corner of the country. This had not been achieved in the notebook industry.

The efforts in building strong foundations showed results when Classmate catapulted to the stationery industry's first ₹1000 crore (consumer spends) brand in 2013. It has since then consolidated its leadership in the notebook segment further while outpacing competition across regions.

Classmate today, stands as a truly national brand with an unmatched distribution network making the product available across the country. The brand has built a sizeable lead in market share and is nearly three





Classmate has also tied up with Disney to bring alive favourite fictional characters on their notebook covers. The brand bridged the digital divide by creating a special series of Augmented Reality cover notebooks, which allow the consumers to scan the notebook cover image and make the elements come alive in a mobile-based game.

contact programmes have been implemented. The brand has invested in marquee school contact programmes including Classmate Young Author Contest and Classmate SpellBee contest. Finishing its tenth season in 2017-18, Classmate Spell Bee contest is the largest of its kind in the country, reaching over 3.25 lac students in 30 cities and more than 1,000 schools.

Brand Values

Classmate believes that every child is unique. By providing them with best-in-class scholastic products, it nurtures and encourages children to pursue dreams and be the best versions of themselves. It empowers them to challenge and believe in themselves, helps students to learn, improve and celebrate their uniqueness.

Classmate stands for determination, confidence and performance. The brand finds enduring purpose in providing a pressure-free and happy environment for children to grow, learn and live in. In its new marketing campaign, brand Classmate takes on the theme – Be Better Than Yourself. Classmate encourages the child to focus on continuous improvement of oneself rather than measure performance against peers. Classmate urges parents and children alike to focus on constant progress and not on marks, ranks or comparison to peers.

practices. The paper mill was India's first paper manufacturing unit to use Ozone treated Elemental Chlorine Free technology, a prominent standard in paper manufacturing. ITC is the only paper and board manufacturer in the country who is ahead of the effluent norms set by Government of India. The mill has won various accolades for its environmentally sustainable practices including WWF – GFTN participant and GreenCo Platinum rating. The paper and board backend makes Classmate the most environment-friendly range of notebooks in the country.

Understanding consumer preferences and their expectation is core to product development for Classmate. In an era of undifferentiated products, it created a range of notebooks with superior environmentally-friendly paper, which is whiter, brighter and smoother than any other competitive offering. Classmate changed the dynamics of the notebook industry by offering choices – hard or soft covers, bindings, sizes, number of pages, ruling types and page configurations – all with the very best quality paper in a range of prices. Target group specific and theme based designs were introduced with variety in each retail pack. Classmate also enhanced consumer engagement through edutainment, by introducing fun trivia, games and puzzles within a notebook. The superior quality was immediately noticed by both trade partners and consumers and helped establish Classmate as the benchmark in student notebook category.

Recent Developments

Classmate has kept pace to remain contemporary and desirable. Addressing unmet needs of consumers and also by creating some, it is a leader in product innovation and design. To cater to the selfie rage and a consumer desire for constant change, Classmate launched a first-of-its-kind Selfie and Interchangeable cover notebooks. The Selfie notebook allows consumers to insert a picture of choice on the notebook cover whereas the Interchangeable series of notebooks gives the option to choose from five different covers within the notebook. Classmate has recently launched Spiral notebooks, targeted at 15+ year olds. These allow the convenience of writing with the premium spiral binding format. Their trendy ubercool features make the owner feel special and stand out from the crowd.

Classmate uses printing technologies including holographic, knurled and matt lamination to heighten the tactile sense and overall aesthetic appeal of notebooks.

Brand Classmate recognises the latent need of customising and personalising stationery products. In a game changing innovation and an industry first, buyers can log onto www.classmateshop.com, upload their personal images or choose from a host of in-house designs to customise covers, create their very own Classmate notebooks and have them delivered at their doorsteps. By bringing 'moments-that-matter' on a notebook cover, the product becomes friendlier and intimate.

Classmate recently forayed into the early learning space with the mission to address critical foundational skills in child development with the launch of puzzles. Complying with the highest child safety standards, the puzzles are made from premium quality virgin board for higher durability; these are dual sided to double the content and have soft touch lamination making them soft and gentle on a child's hand.

Promotion

Early in its launch, Classmate understood the importance of traders as influencers in over 75% of consumer purchase decisions.

Trade members were made brand ambassadors and were educated about the brand's superiority, instilling in them a sense of pride for selling the best product in the market.

Classmate quickly expanded its distribution footprint, gaining word of mouth in trade and increasing consumer awareness of new launches. The brand relied only on point of sale and other below-the-line advertising

media to generate consumer awareness for the first five years. Over the years, promotional strategy evolved including traditional media like television, print, radio, cinema and press. The brand steadily improved its brand salience and product perception scores, outshining its closest competitors. To increase touch points with students directly at schools, several activities and school



INDIA'S NO.1
NOTEBOOK BRAND*

Things you didn't know about CLASSMATE NOTEBOOKS

- * Classmate sold over 35 crore notebooks in 2017 i.e. more than eleven notebooks per second
- * www.classmateshop.com is a first-of-its-kind site in India which allows consumers to personalise branded notebooks
- * Classmate introduced over 1,500 notebook cover designs last year i.e. four new designs every day
- * Classmate has the highest consumer recall and mindshare in the notebook industry, nearly ten times that of the next competitor
- * The notebooks range of Classmate offers over 400 SKUs to consumers across the country
- * Classmate partners with Well-Being out of Waste (WOW) programme in select geographies to recycle used notebooks, textbooks and other paper waste from corporates, schools and households
- * ITC's Bhadrachalam unit, source of paper for Classmate notebooks, was awarded The Greenest Paper Mill in India and first position from CSE amongst all paper mills in India

