

"A man is  
great by  
deeds, not by  
birth"  
-Chanakya

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INDIAN INSTITUTE OF MANAGEMENT KOZHIKODE



Case Study

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**Nykaa, Changing Indian Beauty & Personal Care Market**

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## Nykaa, Changing Indian Beauty & Personal Care Market

### Abstract:

SN E-Commerce Ventures, popularly known by its brand name Nykaa was founded in 2012 by Ms.Falguni Nayar, a financial services industry veteran. Nykaa, one of India's first niche Beauty and Personal Care (BPC) retailers in the organized sector, had quickly established itself as the leader in the Indian online BPC market. Nykaa's success was attributed to a three-pronged approach 'Providing advice to the customers, a wide range of beauty products across various platforms, and an Inventory-led business model. In late 2010s, it expanded into brick and mortar stores format. In November 2021, Nykaa came out with an IPO and had a blockbuster listing in November 2021. The company had very high valuations, reflecting the high expectations from the market regarding its growth. However, sustaining the growth rate, particularly the profit growth, is challenging as Nykaa enters the mass market. The margins are low in the mass market segment. Further, being a listed company, Nykaa would have to convince external investors, particularly institutional investors, regarding its governance moves.



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