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THE MARATHON, NOT THE SPRINT: HOW INDIAN INSURGENT CONSUMER BRANDS SCALE

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Abstract:
A new generation of Indian consumer brands has grown several times faster than the markets it sells in, but most of the growth stories end before the brand reaches scale. This paper uses the Indian Insurgents Report 2025 (Indian Insurgents Report, 2025), a study of 199 brands incorporated in the last 16 years with at least USD 3 million of funding, to ask what separates the few that scale efficiently from the many that do not. The data are secondary. Every figure in the report is recomputed, tested against other figures in the same report, and read against 2025 and 2026 events. The report defines an elite group, the Insurgex, as brands with revenue of at least Rs 75 crore, growth of at least 30% a year for three years and revenue of at least 1.5 times the net capital raised.

Six results stand out. First, insurgents grew 2 to 5 times faster than their categories over FY19 to FY24, but only 32 of 161 brands with filings (20%) pass all three Insurgex tests. Second, scaling is a marathon: two thirds of the brands that have crossed Rs 75 crore (about 25 of 38) have already had a year of growth below 30%, and every brand that has been there for four years has. Third, the economics are fixed early. Median gross margin stays within 3 percentage points of its value at Rs 75 crore, so a brand keeps the margin it was born with, and the real difference between efficient and inefficient brands lies below the gross margin line, in marketing, people and other operating costs. Fourth, the capital bill differs by a factor of 2.6: about Rs 230 crore for Insurgex+ brands to go from Rs 75 crore to Rs 500 crore, against about Rs 600 crore for the rest, of which 89% is spent funding losses. Fifth, in beauty and personal care, 12 brands are Insurgex but only 4 of 44 insurgents have passed Rs 500 crore, so the wall sits between Rs 300 and Rs 500 crore. Sixth, the demand side explains why brands get that far: top insurgents turn aware consumers into current users at about 34% against 30% for incumbents, and keep about 62% of buyers against about 51%. The paper turns these results into a decision framework for founders, investors and incumbents, and lists eleven inconsistencies in the source that readers should know about.

Keywords: Insurgent Brands, D2C, Capital Efficiency, Unit Economics, Beauty and Personal Care, Scaling, India, Secondary Data

1. Introduction

Between FY19 and FY24 the markets in which Indian insurgent consumer brands compete grew by 1.2 to 3 times. The insurgents themselves grew by 3 to 15 times. A set of brands that did not exist, or were tiny, a decade ago now sells serums, mattresses, earphones and snacks to a consumer who knows their names. That headline is true and it is the one the industry likes to repeat. It is also the least useful part of the data, because it describes the sprint.

The harder question is how the brands that last do it. Funding has been available, and brand launches have been easy, with more than 350 beauty and personal care brands incorporated in India in the last 15 to 20 years (Indian Insurgents

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Report, 2025). What is rare is a brand that crosses Rs 300 crore, then Rs 500 crore, without burning its way there. The Indian Insurgents Report 2025, titled the scaling blueprint, is the most detailed public attempt to measure what those brands do differently. It follows 199 insurgents, builds a three-part index of quality growth, and then compares the brands that meet it with those that do not on gross margin, marketing, people costs, profit and capital use at fixed revenue milestones.

This paper treats that report as a dataset and does three things with it. It recomputes the numbers and tests them against each other, which turns up several internal inconsistencies that change how some of the headlines should be read. It adds a layer of analysis the report does not show, such as the decomposition of the profit gap between efficient and inefficient brands and the conversion rates that sit behind the consumer funnel. And it reads the findings against what has happened since June 2025, including the sale of Minimalist to Hindustan Unilever and the reported results of Honasa Consumer, the owner of Mamaearth.

The argument runs in one line. Insurgent growth is easy to find and hard to keep. Brands that scale efficiently do not have better margins on the product; they have lower operating costs for the same margin, they spend 2.6 times less capital to reach the same size, and they build a consumer base that repeats. Most brands stop between Rs 300 and Rs 500 crore because the playbook that worked online, with a hero product and performance marketing, does not carry over to offline distribution.

2. Literature Review

2.1 What the literature says about growth

The finding that most brands stall is not new. Penrose (1959) argued that a firm's growth is limited by the management capacity it can add each year, not by demand alone. Greiner (1972) described growth as a series of phases, each ending in a crisis that forces a change in how the firm is run: creativity gives way to direction, direction to delegation. Both predict the pattern the report finds, in which growth runs smoothly until a threshold and then needs a different organisation. The Rs 300 to Rs 500 crore band is where a founder-led, online-first brand meets offline distribution, category management and a larger team.

On the demand side, Sharp (2010) argues that brands grow mainly by adding buyers, through mental availability and physical availability, and not by deepening loyalty among existing ones. Aaker (1991) treats brand awareness, perceived quality and associations as the assets that lower the cost of future sales. Reichheld (2003) gave the net promoter score as a predictor of growth. The report's consumer research (awareness, consideration, purchase, current use and NPS) maps directly onto these ideas. On the supply side, Ries (2011) describes build, measure and learn cycles, and the report's description of 10 to 15 in-market tests a month is a version of them. Christensen (1997) explains why incumbents leave new segments to entrants, which is the pattern in serums, sunscreens and derma.

2.2 Propositions

The paper does not run statistical tests, because the report gives medians and counts, not firm-level data. It states propositions that the data can support or contradict, and checks each one.

- **P1 (outgrowth).** Insurgents grow faster than their categories in every category, and the gap is widest in new categories.
- **P2 (quality filter).** Only a minority of fast-growing insurgents also grow efficiently, and that share rises over time.
- **P3 (marathon).** Fast growth is not continuous: most brands that reach Rs 75 crore will have a year below 30% growth within five years.
- **P4 (margin at birth).** Gross margin is set by the product and the category and does not improve with scale.
- **P5 (cost discipline).** Efficient brands differ from the rest mainly in operating costs below gross margin, and these gaps appear by Rs 75 crore and persist.
- **P6 (capital).** Efficient brands reach scale with much less capital, and the saving comes from loss funding.
- **P7 (wall).** The share of brands that reach scale falls steeply between Rs 300 and Rs 500 crore, and the reason is distribution, not demand.

- **P8 (consumer).** Top insurgents convert interest into repeat use at least as well as the best incumbents.

3. Case and Methodology

3.1 Data and method

3.1.1 The report and its sample

The Indian Insurgents Report 2025 defines an insurgent as a brand incorporated less than 16 years ago (17 for beauty and personal care) that has raised at least USD 3 million in cumulative funding since 2015. The sample is 199 brands. Financial figures come from Ministry of Corporate Affairs (MCA) filings through VCCEdge, S&P Capital IQ and company annual reports. Funding data come from Tracxn and Venture Intelligence, category sizes from Euromonitor, and best-seller data from Amazon and Helium 10. A consumer survey of 1,050 affluent beauty and personal care shoppers supports the demand-side findings.

The report builds an index, the Insurgex, with three tests applied at the same time. A brand passes if its revenue is at least Rs 75 crore, its revenue has grown at least 30% a year for the last three years, and its capital efficiency is at least 1.5 times. Capital efficiency is revenue divided by net capital raised, where net capital raised is equity raised plus short-term debt plus long-term borrowings, minus cash and bank balances and current investments. The first two tests measure size and speed. The third is what makes the index unusual: it counts the capital a brand has used up, not the capital it has raised, so a brand that holds cash it has not spent is not penalised. A wider group, Insurgex+, has the 46 brands that were in the Insurgex in FY22, FY23 or FY24.

Table 1: The three Insurgex tests and what each measures

Test	Threshold	What it captures	What it misses
Size	Revenue >= Rs 75 Cr	Escaping the long tail of sub-scale brands	Says nothing about cost or margin
Speed	3-year revenue growth >= 30% a year	Momentum above category growth of 5% to 12%	Can be bought with discounts
Efficiency	Revenue / net capital >= 1.5x	How much funding each rupee of sales consumed	Brands with cheap debt or old equity look better

Source: Indian Insurgents Report (2025); my reading of strengths and gaps.

3.1.2 Method

Four steps were used. First, every number that can be recomputed was recomputed: implied growth rates, shares, conversion ratios and sums. Second, the figures were checked against each other. Third, derived tables were built where the report gives only components, such as the profit gap by cost line. Fourth, the findings were read against outside facts published after June 2025. Medians cannot be added, so any decomposition of medians is approximate and marked as such.

Table 2: Samples used in the report, as I read them

Analysis	Sample	Period
Growth vs market	Insurgents in 6 categories	FY19 to FY24
Funnel and Insurgex	161 insurgents with FY24 filings (172 and 164 elsewhere)	FY24

Analysis	Sample	Period
Marathon (slow years)	38 Insurgex+ brands that crossed Rs 75 Cr at least a year ago (45 or 46 in cohort)	To FY24
Time to scale	20 Insurgex+ brands founded FY07 to FY14	Milestones
Margins and costs	45 Insurgex+ (12 BPC, 9 F&B, 9 apparel) and 48 non-Insurgex+	At 75 to 500 Cr
Capital to scale	24 brands (13 Insurgex+, 11 others)	75 to 500 Cr
BPC deep dive	44 well-funded BPC insurgents	FY24 to FY25
Consumer research	1,050 affluent BPC shoppers; top 3 or 4 brands	2025

Sources: Indian Insurgents Report (2025). Sample sizes vary and sometimes conflict; see Section 3.12.

3.2 Insurgents against their markets

3.2.1 Outgrowth in every category

Table 3 sets the growth of the six categories against the growth of the insurgents inside them over FY19 to FY24. Converting the multiples into yearly rates over five years gives a sharper picture. The category markets grew between 3.7% and 9.9% a year in five of the six categories, which is a normal rate for Indian consumer goods, and 24.6% in electronic wearables. The insurgents grew between 24.6% and 71% a year.

Table 3: Market growth against insurgent growth, FY19 to FY24

Category	Market multiple	Market CAGR (calc.)	Insurgent multiple	Insurgent CAGR (calc.)	Outgrowth ratio (calc.)	Insurgent share, FY19 to FY24
Food & Beverage	1.4x	7.0%	3x	24.6%	2.1x	0.1% to 0.2%
Apparel & Lifestyle	1.2x	3.7%	5x	38.0%	4.2x	1% to 4%
Jewellery	1.3x	5.4%	6x	43.1%	4.6x	1% to 6%
Beauty & Personal Care	1.4x	7.0%	6x	43.1%	4.3x	1% to 5%
Home & Kitchen	1.6x	9.9%	4.5x	35.1%	2.8x	0.7% to 2%

Category	Market multiple	Market CAGR (calc.)	Insurgent multiple	Insurgent CAGR (calc.)	Outgrowth ratio (calc.)	Insurgent share, FY19 to FY24
Electronic & wearables devices	3x	24.6%	15x	71.9%	5.0x	0.5% to 7.2%

Source: Indian Insurgents Report (2025); CAGRs and ratios are my calculations over 5 years. Outgrowth ratio = insurgent multiple / market multiple.

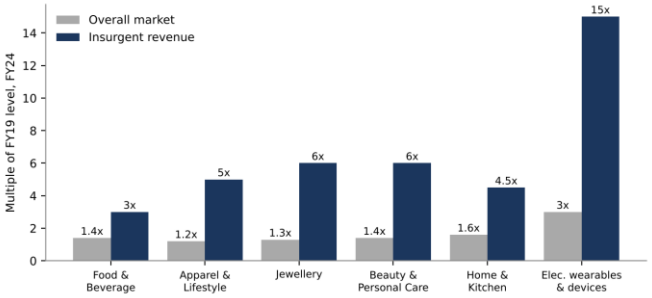

Figure 1: Growth multiples, FY19 to FY24

Source: Indian Insurgents Report (2025).

Proposition P1 is supported on direction. The outgrowth ratio is between 2.1 and 5.0 in every category. It is not supported on the idea that the gap is widest in new categories: in electronic wearables, the newest category, the market itself grew 3 times, so the insurgent outgrowth ratio (5.0) is no larger than that in apparel (4.2) or jewellery (4.6). Insurgents did best where they entered a category that was already growing quickly, but also where the market was sluggish, as in beauty, where a 1.4 times market produced a 6 times insurgent cohort.

3.2.2 A check that fails: wearables

The share figures give a second way to compute the outgrowth ratio, since the share of insurgents rises by the factor insurgent growth divided by market growth. In five categories the two methods agree to within about 1.5 times: for beauty, 6 / 1.4 = 4.3 against a share rise of 5 times (1% to 5%), and for home and kitchen, 4.5 / 1.6 = 2.8 against 2.9 (0.7% to 2%). In electronic wearables they do not agree. The multiples give 15 / 3 = 5.0, while the shares, 0.5% to 7.2%, give a 14.4-fold rise. One of the three numbers is wrong or based on a different definition, for example a market multiple of about 1 rather than 3. I use the growth multiples, which are stated directly, and treat the wearables share as unreliable.

Table 4: Consistency of growth and share figures

Category	Outgrowth by growth multiples	Outgrowth by share change	Gap
Food & Beverage	2.1x	2.0x	0.9x
Apparel & Lifestyle	4.2x	4.0x	1.0x
Jewellery	4.6x	6.0x	1.3x
Beauty & Personal Care	4.3x	5.0x	1.2x

Category	Outgrowth by growth multiples	Outgrowth by share change	Gap
Home & Kitchen	2.8x	2.9x	1.0x
Electronic wearables & devices	5.0x	14.4x	2.9x

Source: my calculations from Indian Insurgents Report (2025). Rounded inputs make small gaps (under 1.5x) unremarkable; wearables is the outlier.

A final point on the headline. The report adds that growth slowed in 2024. A 5-year multiple hides this: a brand that grew 5 times in five years may have grown 2 times in the first two years and only 15% a year since. The marathon analysis in Section 3.4 is the report's own way of showing the slowing from the inside.

3.3 The Insurgex filter: who passes

3.3.1 The funnel

The report starts with 161 insurgents that have FY24 filings. Of these, 92 have revenue of at least Rs 75 crore, 66 of those 92 have grown at least 30% a year for three years, and 32 of those 66 also meet the 1.5 times capital efficiency test. The attrition at each stage is informative. The size test removes 43% of the sample. The speed test removes 28% of the survivors. The efficiency test removes 52% of the survivors of the first two. Efficiency is the strictest filter, and it is the one that most clearly separates a fast brand from a financed one.

Table 5: The Insurgex funnel, FY24

Stage	Brands	Pass rate from previous stage (calc.)	Share of 161 (calc.)
Insurgents with FY24 filings	161		100%
Revenue >= Rs 75 Cr	92	57%	57%
... and 3-year growth >= 30%	66	72%	41%
... and capital efficiency >= 1.5x (Insurgex)	32	48%	20%

Source: Indian Insurgents Report (2025); percentages are my calculations. Against all 199 insurgents in the sample, 32 is 16%.

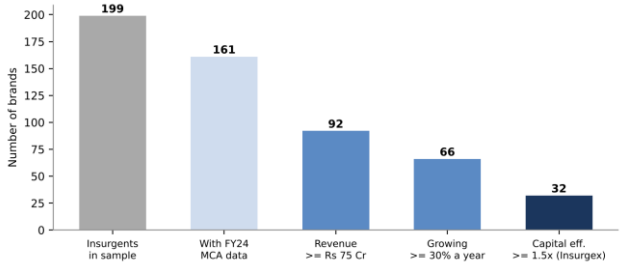

Figure 2: The Insurgex funnel

Source: Indian Insurgents Report (2025).

The revenue distribution makes the same point. Of the 161 brands, 69 (43%) are below Rs 75 crore, 18 are between Rs 75 and 100 crore, 40 between Rs 100 and 300 crore, 14 between Rs 300 and 500 crore and 20 above Rs 500 crore. Among the 92 brands above Rs 75 crore, 17 grew between 10% and 30%, 7 grew between 0% and 10%, and 2 shrank. In capital efficiency, among the 66 fast growers, 8 are below 0.5 times, 18 are between 0.5 and 1 times and 8 are between 1 and 1.5 times. So 34 of 66 fast-growing brands, or 52%, are fast because they were funded, 8 of the 66 (12%) have consumed more than two rupees of net capital for each rupee of revenue, and another 18 (27%) between one and two rupees.

3.3.2 The Insurgex is growing

The number of Insurgex brands has risen from 10 in FY20 to 32 in FY24 (Figure 3), a compound growth of 34% a year (calc.). The FY23 count was revised from 18 to 24 in the latest edition, which means each new edition re-states the past. The growth reflects two things: new brands crossing Rs 75 crore, and more brands finding capital efficiency as they age. As a share of the brands with data, the count in FY24 is 32 of 164, or 20%, against 24 of 172 (14%) in FY23 (calc.).

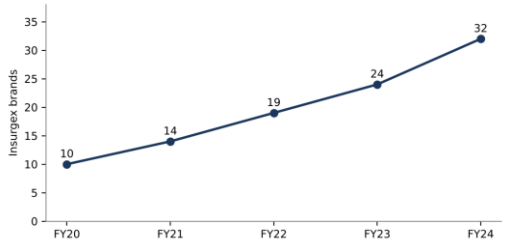

Figure 3: Number of Insurgex brands by year

Source: Indian Insurgents Report (2025). FY23 is the revised value (24, from 18).

Proposition P2 is supported: the efficient group is a minority at every date and its share has risen from 14% to 20% in a year. The medians describe the gap. The median insurgent has revenue of USD 8 million (about Rs 68 crore), has grown 53% a year for three years and has capital efficiency of 0.9 times. The median Insurgex brand has revenue of USD 34 million (about Rs 289 crore), has grown 67% a year and has capital efficiency of 2.7 times. Over three years, 53% a year is 3.5 times and 67% a year is 4.6 times (calc.). The median Insurgex brand is therefore four times larger, grows 14 points faster, and has used about Rs 107 crore of net capital against about Rs 76 crore for the median insurgent (calc.: revenue divided by efficiency). The efficient brand is not a thrifty small brand; it is a bigger one that has spent more in total and earned much more on it.

Table 6: The median insurgent and the median Insurgex brand, FY24

Measure	Median insurgent	Median Insurgex brand	Ratio (calc.)
Revenue (USD M)	8	34	4.3x
Revenue (Rs Cr, at 85)	68	289	4.3x
3-year revenue CAGR	53%	67%	+14 pts
3-year revenue multiple (calc.)	3.5x	4.6x	1.3x
Capital efficiency	0.9x	2.7x	3.0x

Measure	Median insurgent	Median Insurgex brand	Ratio (calc.)
Implied net capital (Rs Cr, calc.)	76	107	1.4x

Source: Indian Insurgents Report (2025); calculations are mine. Medians of different measures come from different brands, so the implied capital is indicative.

3.3.3 Where the revenue sits

The averages hide a heavily skewed distribution. The report gives aggregate FY24 insurgent revenue of about USD 5 billion (Rs 42,500 crore at Rs 85) and counts of brands by revenue band. Putting the two together gives an estimate of how that revenue is shared. For the four lower bands I take the midpoint of each band, using Rs 30 crore for the band below Rs 75 crore, and I let the 20 brands above Rs 500 crore take the remainder (calc.). The result is rough, and it assumes that the USD 5 billion covers the same 161 brands, which the report does not say. But the pattern is too strong to be an artefact of the method.

Table 7: Estimated distribution of FY24 insurgent revenue by band

Revenue band	Brands	Share of brands	Assumed or implied average (Rs Cr)	Estimated revenue (Rs Cr)	Share of revenue
Below Rs 75 Cr	69	43%	30	2,070	5%
Rs 75 to 100 Cr	18	11%	88	1,575	4%
Rs 100 to 300 Cr	40	25%	200	8,000	19%
Rs 300 to 500 Cr	14	9%	400	5,600	13%
Rs 500 Cr and above	20	12%	1,263	25,255	59%
Total	161	100%	264	42,500	100%

Source: brand counts and aggregate revenue from Indian Insurgents Report (2025); averages for the four lower bands are my assumptions, and the top band is the residual. Indicative only.

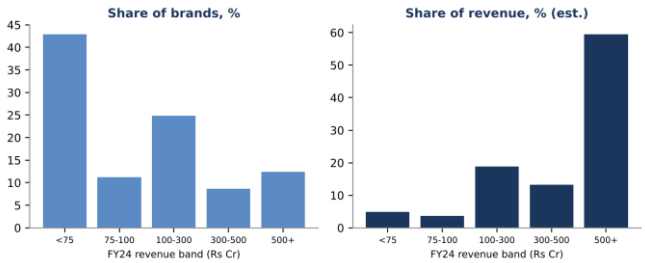

Figure 4: Share of brands against estimated share of revenue, by FY24 revenue band

Source: as Table 7.

The 20 brands above Rs 500 crore, 12% of the sample, would earn about 59% of the revenue, with an implied average of about Rs 1,263 crore each. The 69 brands below Rs 75 crore, 43% of the sample, would earn about 5%. The implied mean revenue is Rs 264 crore (about USD 31 million), against the median of USD 8 million, a ratio of 3.9 between

mean and median that confirms a long right tail. This matters for two reasons. The medians in the report describe the typical brand, not the typical rupee: the market's money sits with a few brands, and the efficient-scaling pattern is therefore the pattern of the brands that matter most to the sector's total. And it means that the sector's aggregate growth of 5 times in five years is mostly the growth of the top 20 brands. A shock to three or four of them would move the sector total more than the failure of a hundred small ones.

3.4 The marathon: slow years are normal

The most useful new chart in the report follows the Insurgex+ brands after they cross Rs 75 crore and records whether they have had a year of growth below 30%. The answer is that almost all of them do (Figure 5). None of the 7 brands in their first year has slowed, 55% of those in their second year have, 83% in their third, and every brand in its fourth and fifth year has.

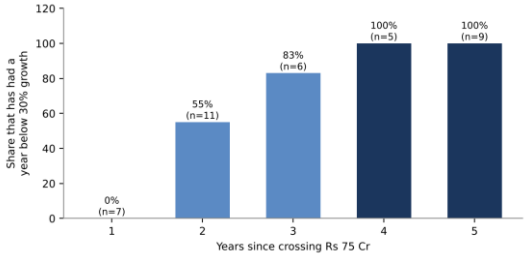

Figure 5: Share of Insurgex+ brands that have ever grown below 30% in a year, by years since crossing Rs 75 Cr

Source: Indian Insurgents Report (2025). The shares are cumulative (ever had a slow year); n is the number of brands that have reached that age.

The cohorts are small, 38 brands in all, so each bar has a wide margin of error. Weighting the shares by the number of brands in each age group, about 25 of 38 brands (66%) have already had a slow year (calc.). The report considers 45 Insurgex+ brands; the 7 that have not yet completed a year above Rs 75 crore are the gap. Because the figure is cumulative, it can only rise with age, and because each bar is a different set of brands it cannot be read as the chance of slowing in a given year. The honest reading is that a brand that is two years past Rs 75 crore has about even odds of having already stumbled, and one that is four years past has not escaped.

This supports Proposition P3 and has a practical meaning. A 30% growth filter looks like a high bar for a brand growing 60% a year, but the arithmetic shows that it is the median brand's speed that carries it. To go from Rs 75 crore to Rs 500 crore in four years needs a growth rate of 60.7% a year (calc.), twice the 30% test; at 30% a year the same journey takes 7.2 years. A single weak year, say 15% growth in place of 60%, adds about 0.7 of a year to the journey (calc.). The Insurgex+ concept in the report is a recognition of this: a brand that was in the index in any of three years stays in the group, because a slow year is a pause and not an exit.

3.5 Time to scale

The report gives the median number of years brands take to move through three revenue bands. Going from nothing to Rs 75 crore takes 8 years, from Rs 75 to Rs 300 crore takes 3 years, and from Rs 300 to Rs 500 crore takes 1 year. The sum for the second and third bands is 4 years, which matches the headline of the page. The highlights page says 4 to 5 years, which is the same finding with the lower and upper ends of the sample.

Table 8: Years to cross revenue bands, median and four named brands

Band	Median (years)	Mamaearth	Wakefit	boAt	Veeba
Rs 0 to 75 Cr	8	4	5	5	4
Rs 75 to 300 Cr	3	1	2	2	4
Rs 300 to 500 Cr	1	1	1	2	1

Band	Median (years)	Mamaearth	Wakefit	boAt	Veeba
Total to Rs 500 Cr (calc.)	12	6	8	9	9
Rs 75 to 500 Cr (calc.)	4	2	3	4	5

Source: Indian Insurgents Report (2025); totals are my calculations. Sample is 20 Insurgex+ brands founded FY07 to FY14, 15 of which are in the Rs 75 to 300 Cr band and 11 in the Rs 300 to 500 Cr band.

Two patterns stand out. The long wait is at the start: the median brand takes twice as long to reach Rs 75 crore as it takes to go on to Rs 500 crore after that. This is the usual shape of a business that finds the product first and the system second. And the time spent in each band falls as the base rises, which implies that growth in rupees accelerates. The median brand adds about Rs 225 crore in 3 years in the second band (Rs 75 crore a year) and Rs 200 crore in one year in the third. The named brands tell the same story with differences in detail: Mamaearth took 6 years in total and the other three took 8 to 9. Veeba took 4 years to go from Rs 75 to Rs 300 crore, which is the slowest of the four, and then crossed the next band in one year. The spread of 2 to 5 years for the Rs 75 to 500 crore journey among four brands is itself a warning against using the median as a plan.

3.6 The economics of scale: margin, marketing, people and profit

3.6.1 Gross margin is set at birth

The report's boldest claim is that brands die with the gross margin they are born with. The median gross margin of Insurgex+ brands is 58% at Rs 75 crore and 56% at Rs 500 crore, and it stays between 56% and 58% in between. Non-Insurgex+ brands show the same stability, within 53% to 57%. Neither group improves its margin as it grows. The spread between categories is much larger than any change over time: beauty and personal care Insurgex+ brands hold about 71% to 73%, and food and beverage brands hold 41% to 48%.

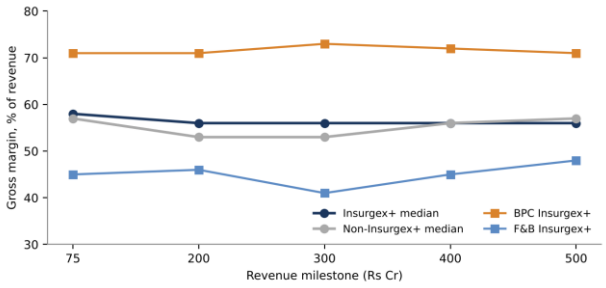

Figure 6: Median gross margin at revenue milestones

Source: Indian Insurgents Report (2025). F&B excludes TABP and Farmley (per the report's note).

This is a counter-intuitive result, since the textbook says that scale lowers unit costs. Two reasons are possible. Gross margin for a consumer brand is a function of price positioning and product mix, which are chosen at launch and are hard to change later, and the benefits of scale in sourcing are offset by the discounts and trade margins that come with offline distribution. For an entrepreneur the finding means that a brand's margin structure should be tested before its scale is. A brand that launches at 45% gross margin in a category where the winners make 70% will not close the gap by growing. Proposition P4 is supported, with the caveat that the sample is small and survivors are over-represented.

The percentile data add a warning. The 10th and 90th percentile lines in the report's chart are labelled in a way that makes it unclear which is which; the printed values (74/72/73/68/67% and 31/25/29/30/29%) show a very wide spread, about 40 points, between the best and worst Insurgex+ brands at the same milestone. A median of 56% hides brands that earn 70% and brands that earn 30%.

3.6.2 Where the efficient brands differ: below gross margin

If gross margin does not separate the groups, something else does. Table 9 puts the medians for the two groups side by side at the Rs 75 crore and Rs 500 crore milestones.

Table 9: Median cost structure, % of revenue, at the start and end of the journey

Line	Insurgex+ at 75 Cr	Non-Insurgex+ at 75 Cr	Insurgex+ at 500 Cr	Non-Insurgex+ at 500 Cr
Gross margin	58	57	56	57
Marketing	14	19	10	17
People	12	17	12	14
Gross margin less marketing less people (calc.)	32	21	34	26
EBITDA (median)	-2	-22	+3	-16
Other operating cost implied (calc.)	34	43	31	42

Source: Indian Insurgents Report (2025); rows marked calc. are my arithmetic. Medians of different lines are not additive, so 'other operating cost' is an indicator, not an exact number.

The first fact is that gross margin is almost identical: 58% against 57% at Rs 75 crore, 56% against 57% at Rs 500 crore. The Insurgex+ brands do not have better products or prices; the gap is in what they spend afterwards. The second is that marketing is cheaper at every stage. Insurgex+ brands spend 14% of revenue at Rs 75 crore and fall to 9% to 11% after Rs 200 crore, while the others stay between 13% and 19% (Figure 7). The third is that people costs are lower and flat: Insurgex+ brands spend 11% to 12% of revenue on people at every milestone, against 14% to 17% for the others. The efficient brands do not grow their payroll faster than their revenue.

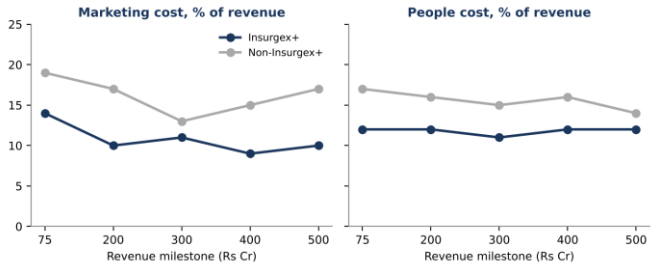

Figure 7: Median marketing and people cost, % of revenue

Source: Indian Insurgents Report (2025).

3.6.3 Decomposing the profit gap

The EBITDA gap between the groups is 20 points at Rs 75 crore (-2% against -22%) and 19 points at Rs 500 crore (+3% against -16%). Table 10 splits that gap using the medians in Table 9. The split is approximate, but its message is strong.

Table 10: Where the EBITDA gap comes from (percentage points of revenue, approximate)

Source of the gap	At Rs 75 Cr	At Rs 500 Cr
Gross margin	+1	-1
Marketing	+5	+7
People	+5	+2
Other operating costs (residual)	+9	+11
Total EBITDA gap	+20	+19

Source: calculated from Table 9. Positive means the Insurgex+ median is better. Residual = total gap less the three lines; medians do not add exactly.

Marketing and people explain about half of the gap, and the other half sits in costs the report does not break out: logistics, returns, technology, rent, platform fees and general overhead. This is a finding in itself. The marketing story gets the attention, but a larger share of the difference lies in operations: the efficient brands run lower returns, cheaper fulfilment, fewer discounts to channel partners and a lighter cost base. Proposition P5 is supported: the gap is present at Rs 75 crore and persists. The report does not allow a test of the cause, but the likely one is that efficient brands built operations to match their funding from the start, and did not try to grow into a cost base.

Profit follows. The median Insurgex+ brand has EBITDA of -2% at Rs 75 crore, -5% at Rs 200 crore, breaks even at Rs 300 crore, and earns 3% at Rs 500 crore. The 90th percentile is at +14% to +18% throughout, which means that the best brands are profitable before they reach Rs 100 crore. The 10th percentile moves from -29% to -2%, so even the weakest Insurgex+ brands approach break-even by Rs 500 crore. The non-Insurgex+ median is still at -16% at Rs 500 crore. A brand that is at -22% EBITDA at Rs 75 crore and -14% at Rs 300 crore is not growing into profitability.

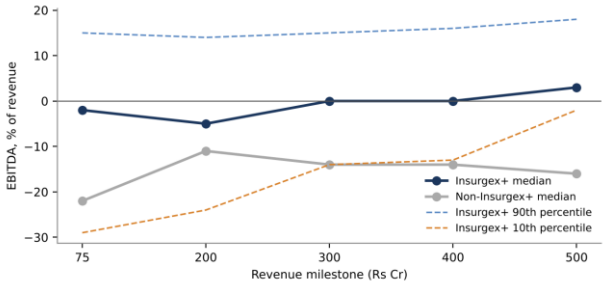

Figure 8: EBITDA margin at revenue milestones

Source: Indian Insurgents Report (2025). Dashed lines are the Insurgex+ 90th and 10th percentiles as printed.

3.6.4 What BPC and food teach about marketing

Category matters for the marketing line. Beauty and personal care Insurgex+ brands spend 48% of revenue on marketing at Rs 75 crore and 36% to 38% at Rs 300 to 500 crore, against 10% to 15% for food and beverage Insurgex+ brands. People costs also differ: 6% to 11% in beauty, 11% to 12% in food. Beauty can afford the marketing because it earns about 71% gross margin; food cannot, because it earns about 45%. The structure of the P&L is again set by the product. Honasa, the owner of Mamaearth, spent Rs 180 crore on advertising on Rs 538 crore of revenue in the quarter ended September 2025 (Storyboard18, 2025; Entrackr, 2025), which is 33% (calc.), close to and a little below the 36% to 48% range the report shows for beauty brands and far above the 10% median for all Insurgex+ brands.

3.6.5 Two categories, two shapes of the same journey

The report gives margin, marketing and people costs separately for beauty and personal care and for food and beverage, but not EBITDA. Subtracting marketing and people from gross margin gives a contribution line that shows how the

economics change with scale in each. The line is not a profit measure, since logistics, technology and overhead are still to come, but it shows where operating leverage appears (Table 11, Figure 9).

Table 11: Contribution after marketing and people, BPC and food and beverage Insurgex+ brands, % of revenue

Milestone	BPC GM	BPC mktg	BPC people	BPC contrib. (calc.)	F&B GM	F&B mktg	F&B people	F&B contrib. (calc.)
Rs 75 Cr	71	48	11	12	45	10	11	24
Rs 200 Cr	71	47	9	15	46	10	12	24
Rs 300 Cr	73	38	11	24	41	15	11	15
Rs 400 Cr	72	38	6	28	45	12	12	21
Rs 500 Cr	71	36	7	28	48	11	12	25

Source: Indian Insurgents Report (2025); contribution = gross margin - marketing - people (my calculation). F&B excludes TABP and Farmley.

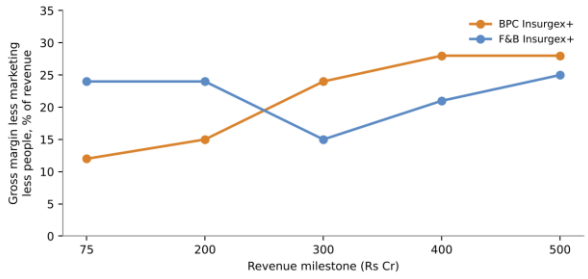

Figure 9: Contribution after marketing and people cost, by category

Source: as Table 11.

The two shapes are opposite. In beauty the contribution is thin at the start, 12% of revenue at Rs 75 crore, because marketing takes 48%, and it more than doubles to 28% by Rs 400 crore as marketing falls to 36% to 38% and people costs fall to 6% to 7%. Beauty has operating leverage, and the leverage comes from marketing: the brand pays heavily to be known and then collects on that awareness. In food the contribution is 24% at the start and 25% at the end, with a dip to 15% at Rs 300 crore when marketing rises to 15% (the same stage at which offline distribution is expanded). Food starts lean and stays lean, but it has no leverage. A food brand's profit at Rs 500 crore comes from the lower costs it had at Rs 75 crore, and a beauty brand's profit comes from the awareness it built on the way.

The strategic reading is that the two categories need different financing. A beauty brand needs enough capital to survive the heavy marketing years until the leverage arrives, and the capital efficiency test is hardest on it at the start. A food brand needs little to start but cannot grow into profit; it needs to be efficient from the outset. The report's Insurgex test treats both the same, which may explain why the BPC category has the most Insurgex brands (12) despite its high marketing: the 71% gross margin leaves enough room to be efficient once awareness is built.

3.6.6 Dispersion: the winners converge

The report also gives the 10th and 90th percentile of the Insurgex+ group at each milestone. The gap between them is a measure of how unequal the group is, and it falls with scale (Table 12). At Rs 75 crore, the best and worst brands differ by 51 points in marketing intensity, 17 points in people cost and 44 points in EBITDA. By Rs 500 crore the gaps are 27, 13 and 20 points.

Table 12: Spread between the 90th and 10th percentile of Insurgex+ brands, percentage points of revenue

Measure	Rs 75 Cr	Rs 200 Cr	Rs 300 Cr	Rs 400 Cr	Rs 500 Cr
Marketing cost	51	46	36	34	27
People cost	17	13	11	14	13
EBITDA	44	38	29	29	20

Source: my calculations from Indian Insurgents Report (2025). The 500 Cr marketing 90th percentile is partly obscured in the chart and read as 32%.

Two explanations are possible and the data cannot choose between them. The first is convergence: as brands grow, the same disciplines (distribution, working capital, trade terms) impose a common cost structure. The second is survivorship: brands whose costs diverge from the efficient pattern do not stay in the Insurgex+ group long enough to be measured at Rs 500 crore. Both are probably true, and both point the same way for a founder. The range of outcomes at Rs 75 crore is wide, from a brand with 1% marketing to one with 52%, from EBITDA of -29% to +15%, and the range narrows only for those who make it. The early choices are where the variance is, and so where management has the most to gain.

3.7 The capital bill

The report tracks how much capital 24 brands used to go from Rs 75 crore to Rs 500 crore: 13 Insurgex+ brands and 11 others. The median Insurgex+ brand used about Rs 230 crore, of which about Rs 90 crore was spent going from Rs 75 to Rs 300 crore. The median non-Insurgex+ brand used about Rs 600 crore. The ratio is 2.6 (calc.).

Table 13: Capital used between Rs 75 Cr and Rs 500 Cr, median brand

Measure	Insurgex+	Non-Insurgex+	Ratio
Capital consumed (Rs Cr)	about 230	about 600	2.6x
Funding losses, share	55%	89%	
Capex, share	18%	11%	
Working capital, share	28%	under 1%	
Funding losses (Rs Cr, calc.)	127	534	4.2x
Capex (Rs Cr, calc.)	41	66	1.6x
Working capital (Rs Cr, calc.)	64	under 6	
Revenue added (Rs Cr)	425	425	
Capital per rupee of revenue added (calc.)	0.54	1.41	2.6x

Measure	Insurgex+	Non-Insurgex+	Ratio
Incremental capital efficiency (calc.)	1.85x	0.71x	

Source: Indian Insurgents Report (2025); shares as printed, rupee splits are my calculations from the printed medians. Revenue added is Rs 500 Cr less Rs 75 Cr.

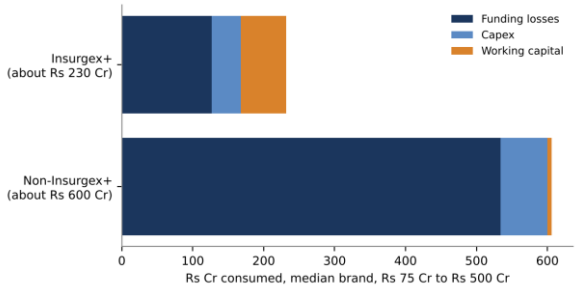

Figure 10: What the capital was spent on, median brand, Rs 75 Cr to Rs 500 Cr

Source: Indian Insurgents Report (2025); rupee amounts calculated from shares.

Three results follow. First, the efficient brands do not save by skimping on assets: they spend more on working capital (Rs 64 crore against under Rs 6 crore), and a bit less on capex (Rs 41 crore against Rs 66 crore). Working capital is what a brand uses to hold inventory and extend credit to offline distributors, so a high working capital share is what growth through general trade and modern trade looks like. It is investment in a business that sells. Second, nearly all the saving is in loss funding, which is 4.2 times smaller for the efficient group (Rs 127 crore against Rs 534 crore). For the non-Insurgex+ brands, the capital paid for losses is larger than the revenue they added (Rs 534 crore against Rs 425 crore). Third, a rupee of new revenue cost the efficient brand 54 paise of capital and the others Rs 1.41, which is the same ratio, 2.6.

Proposition P6 is supported. For an investor, this is the central fact of the report: efficient brands finance growth with working capital that turns into receivables and inventory, and inefficient brands finance it with losses that do not come back. A rupee of working capital can be recovered at an exit or from a bank; a rupee of loss cannot. The report also shows a scatter of capital consumed against growth for the 24 brands, with a few negative values, which shows that some brands generated cash while scaling. The scatter has no numerical labels and is not used here.

One reconciliation problem should be noted. The medians in Table 9 imply that an Insurgex+ brand loses little on EBITDA over the journey (-5% to +3% of a revenue base of Rs 75 to 500 crore, or well under Rs 50 crore in total), yet Rs 127 crore is attributed to loss funding. Similarly, a non-Insurgex+ brand at -14% to -22% EBITDA over four to seven years loses perhaps Rs 200 to 350 crore, against Rs 534 crore reported. The likely explanation is that loss funding is measured as cumulative cash burn including interest, depreciation and one-off items, and perhaps also pre-Rs 75 crore losses, which would be a different base from the one the title suggests. The direction of the result is not affected, but the size is less certain than the table suggests.

3.7.2 The capital bill in dollars, and the funding tiers

The report's funding tiers for beauty brands are in US dollars, while the capital analysis is in rupees. Converting puts the two in the same unit (Table 14). The median efficient journey from Rs 75 to Rs 500 crore uses about USD 27 million, and the first leg to Rs 300 crore about USD 11 million. The median non-efficient journey uses about USD 71 million.

Table 14: The capital bill against the report's funding tiers (USD 1 = Rs 85)

Item	Rs Cr	USD million (calc.)	Comparison
Insurgex+ journey, Rs 75 to 300 Cr	90	10.6	Inside the USD 3 to 25M tier
Insurgex+ journey, Rs 75 to 500 Cr	230	27.1	Just above the USD 25M tier boundary
Non-Insurgex+ journey, Rs 75 to 500 Cr	600	70.6	Above the USD 50M tier, which only 4 of 44 BPC brands reach
Insurgex+ loss funding	127	14.9	
Non-Insurgex+ loss funding	534	62.8	

Source: Indian Insurgents Report (2025); conversions are my calculations. Net capital raised (after cash) is not the same as total funding raised, so the comparison with tiers is indicative.

The comparison is revealing. Of the 44 BPC brands in the report, 31 have raised USD 3 to 25 million, 9 have raised USD 25 to 50 million and only 4 have raised more than USD 50 million. A median non-efficient journey would need more than USD 70 million, and so would be possible only for the 4 brands in the top tier, or for brands with funding from outside the sample. That is consistent with the small number of BPC brands above Rs 500 crore (4): the brands that scaled either were efficient, with a bill of about USD 27 million, or were among the best-funded. A brand with a USD 15 million round and the cost profile of the non-Insurgex+ median would run out of capital before it reached Rs 300 crore.

3.7.3 What a slow year costs: illustrative journeys

The marathon (Section 3.4) and the cost data (Section 3.6) can be put together in a simple model. A brand starts at Rs 75 crore and grows at 60.7% a year, the rate that reaches Rs 500 crore in four years. In the scenarios below it has one or two slow years at 15% growth first, or grows steadily at 45% or at the 30% index floor. The model counts the years, the cumulative revenue earned on the way (revenue is assumed to grow at a constant rate, so the total is the Rs 425 crore of growth divided by the log of one plus the growth rate), and the cumulative EBITDA at two assumed margins: the Insurgex+ median average of about -1% and the non-Insurgex+ average of about -16%.

Table 15: Illustrative journeys from Rs 75 Cr to Rs 500 Cr

Scenario	Years	Cumulative revenue (Rs Cr)	EBITDA at -1% (Rs Cr)	EBITDA at -16% (Rs Cr)
Report median: 60.7% a year	4.0	896	-9	-143
One slow year (15%), then 60.7%	4.7	947	-9	-152
Two slow years (15%), then 60.7%	5.4	1,006	-10	-161
Steady 45% a year	5.1	1,144	-11	-183

Scenario	Years	Cumulative revenue (Rs Cr)	EBITDA at -1% (Rs Cr)	EBITDA at -16% (Rs Cr)
Steady 30% a year (index floor)	7.2	1,620	-16	-259

Source: my calculations. Illustrative: constant growth within each phase, constant margin through the journey. Not forecasts.

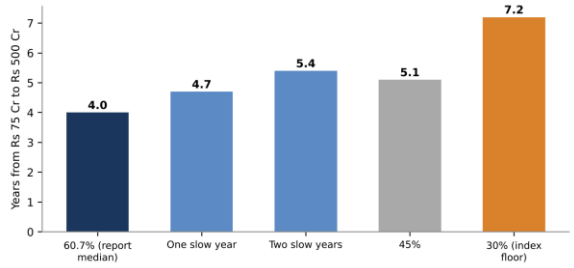

Figure 11: Years to Rs 500 Cr under different growth paths

Source: my calculations; see Table 15.

The model has two messages. The first is that time is the main cost of weakness in growth: one slow year adds 0.7 years, two add 1.4 years, and growing at 30% instead of 61% adds 3.2 years. The second is that time and inefficiency multiply. At the Insurgex+ margin the extra time costs very little, because the brand loses almost nothing a year. At the non-Insurgex+ margin, the journey that takes 7.2 years instead of 4 raises cumulative operating losses from about Rs 143 crore to Rs 259 crore. An inefficient brand that slows down must raise more money, and it is exactly then that investors are least willing to provide it. This is a plausible account of why 4 of 44 reached Rs 500 crore, and why the capital figure of Rs 600 crore for the non-efficient group is much larger than a simple loss-rate calculation would give.

3.8 Beauty and personal care: the deep dive

3.8.1 A hotbed, and a wall

The report spends a third of its pages on beauty and personal care (BPC), the category with the most insurgents and the most Insurgex brands. It identifies 44 well-funded insurgent BPC brands: 31 with USD 3 to 25 million of total funding, 9 with USD 25 to 50 million, and 4 with more than USD 50 million (Mamaearth, Sugar, WOW Skin Science and MyGlamm). The 44 are a small part of the 350 or more BPC brands incorporated in the last 15 to 20 years. Twelve of them are in the Insurgex in FY24, the highest count of any category. The BPC market grew about 10% to 12%; the median BPC insurgent grew 60% a year over three years, with a median capital efficiency of 0.9 times, and insurgent penetration rose 5 times over FY19 to FY24.

Table 16: BPC insurgents by total funding raised

Funding tier	Brands	Share of 44 (calc.)	Examples from the report
USD 3M to 25M	31	70%	Beardo, Minimalist, Pilgrim, Dot & Key, The Man Company, Sirona, Perfora
USD 25M to 50M	9	20%	Renee, mCaffeine, Plum, Bombay Shaving Company, Faces Canada, Man Matters

Funding tier	Brands	Share of 44 (calc.)	Examples from the report
USD 50M and above	4	9%	Mamaearth, Sugar, WOW Skin Science, MyGlamm
Total	44	100%	

Source: Indian Insurgents Report (2025); shares are my calculations (they sum to 99% because of rounding).

The paradox of the BPC section is in the funnel (Figure 12). Of 44 insurgents, 26 (59%) are above Rs 75 crore, 8 (18%) above Rs 300 crore and 4 (9%) above Rs 500 crore. The step from Rs 75 to Rs 300 crore is passed by 31% of the brands (8 of 26), the step from Rs 300 to Rs 500 crore by 50% (4 of 8). Against the all-category sample, BPC is about average at the first step (59% against 57%), a little behind at Rs 300 crore (18% against 21%) and behind at Rs 500 crore (9% against 12%, calc., noting that the all-category base is the 161 brands with filings and the BPC base is all 44). Yet BPC leads in quality: 12 of 44 (27%) are Insurgex against 32 of 161 (20%) overall, and 12 of the 26 brands above Rs 75 crore (46%) against 32 of 92 (35%). BPC produces more efficient brands and fewer big ones, which is what you would expect if the category rewards a clever product, a fast launch and a narrow audience, and penalises a brand that has to go broad.

Figure 12: BPC insurgent brands by revenue

Source: Indian Insurgents Report (2025); MCA filings.

3.8.2 New segments and future profit pools

The report's argument for why BPC insurgents matter is that they are making the categories in which future profits will be made. It names four new sub-categories: clean beauty (USD 350 million or more, built in 8 years), actives and derma (USD 200 million or more, 8 years), serums (USD 250 million or more, 4 years) and sunscreen (USD 250 million or more, against USD 35 million five years ago). The four together are over USD 1 billion, or about Rs 8,900 crore at Rs 85 (calc.), although they overlap, since a serum can be a clean, derma product. Sunscreen grew 7.1 times in 5 years, or 48% a year (calc.). Serums reached USD 250 million in 4 years, an average of over USD 60 million of new market a year.

The report states that insurgents hold 50% to 70% e-commerce share in the emerging sub-categories of face wash, sunscreen and serum, and that 60% of the top 25 best-selling face care and shampoo SKUs on Amazon were launched in the last four years. The Amazon sample, taken in May 2025 from the last 30 days of sales, is worth a closer look because the number is a revenue share, not a count of SKUs, and because the age bands show something the headline does not (Figure 13).

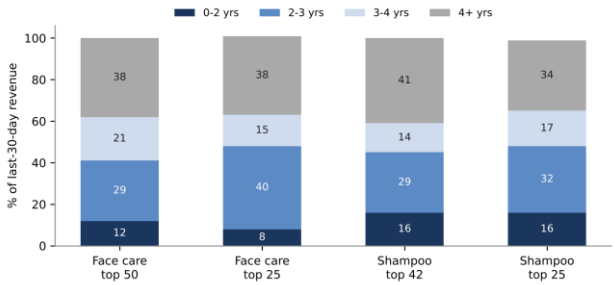

Figure 13: Share of last-30-day Amazon revenue by age of the product, as of May 2025

Source: Indian Insurgents Report (2025); Amazon bestseller pages, Helium 10. Shares are as printed and may not sum to 100 because of rounding.

The share of revenue from products launched within four years is 62% for the top 50 face care products (12 + 29 + 21), 63% for the top 25 (8 + 40 + 15), 59% for the top 42 shampoos and 65% for the top 25 (calc.). These match the headline of about 60%. The age distribution is more telling. Products launched in the last two years supply only 8% to 16% of revenue, and those aged two to three years supply the most: 29% to 40%. A product takes two to three years to become a best-seller, which is consistent with the time-to-scale data in Section 3.5. It also means that a launch in 2025 will not show up in these numbers until 2027, and that a portfolio needs a continuous pipeline, which is what the report's stage-gate process (a pilot of under 6 weeks, then 6 months, then 2 years) is designed to supply.

3.9 The consumer behind the numbers

3.9.1 Who buys

The consumer research covered 1,050 affluent BPC shoppers. The typical insurgent buyer is an India1 consumer (the top tier of the three-tier model, about 140 million people) living in a metro or Tier-1 city and aged 18 to 45. Compared with all BPC shoppers, these consumers spend 10 times as much on BPC and have 3 times the share of premium BPC. They have 2 times the presence of insurgent brands in the unaided awareness set and 5 times the penetration in new categories such as serums and sunscreens. Their awareness comes through digital channels (2 times) and they rate online channels as 3 times more important. Gen Z has 50% higher unaided awareness of insurgents than millennials, and insurgent penetration is 30% higher.

The link to the wider story is direct. The insurgent brand is an India1 phenomenon, built on a consumer who has money to spend on a product that costs more than the one used before, who is willing to try a new brand and who discovers it online. The growth of the categories in Section 3.2 is the growth of that consumer's spending. A founder who wants to reach beyond India1 is looking at a different consumer, a different price and a different channel, which is why the stall at Rs 300 crore (Section 3.10) is not a surprise.

3.9.2 Conversion and advocacy

The funnel in Figure 14 compares the top three or four insurgents with the top three or four incumbents. At the top of the funnel the incumbents are ahead: mean aided awareness is about 83% against 81%, and mean consideration is about 65% against 61%. The picture changes below consideration. Mean purchase is 45% for insurgents and 49% for incumbents, but mean current use is 28% for insurgents and 25% for incumbents.

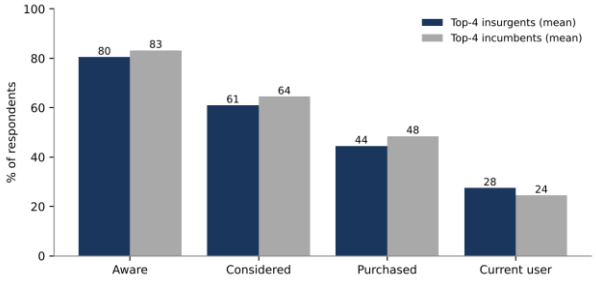

Figure 14: Aided awareness to current use, mean of the top brands in each group

Source: Indian Insurgents Report (2025); consumer research, N = 1,050. Means are my calculations from the four brands printed for each group.

Table 17: Conversion between funnel stages (calc.), mean of top brands

Stage ratio	Top insurgents	Top incumbents	Difference (pts)
Considered / aware	76%	77%	-2
Purchased / considered	73%	75%	-2
Current user / purchased (retention)	61%	50%	+11
Current user / considered	45%	38%	+7
Current user / aware	34%	29%	+5

Source: my calculations from Indian Insurgents Report (2025), consumer research (N = 1,050). 'Purchased' means bought at least once; 'current user' means bought in the last 6 months.

The retention row is the key one: of consumers who have ever bought, about 62% of insurgent buyers bought again in the last six months against about 51% for incumbents. Insurgents are as well known as incumbents in the minds of the affluent shopper, a little less so, but they keep the people they win. That supports Proposition P8 and agrees with Sharp (2010): brands grow when they are both easy to think of and easy to buy, and keep their buyers. The caveat is that the sample is the top three or four brands in each group, selected by the number of current users, so the comparison is between winners, not between all insurgents and all incumbents.

Net promoter scores add to this. The overall insurgent NPS is 31% against 27% for incumbents, and the top four insurgents score 44%, 42%, 39% and 38% (mean 41%). The second panel of the NPS chart, labelled with the top insurgents again, shows 51%, 51%, 48% and 38%, and appears to be the top incumbents (mean 47%). If it is, the best incumbents have higher NPS than the best insurgents, but the typical insurgent is ahead of the typical incumbent, which agrees with the report's own phrase: comparable advocacy.

Table 18: Key purchase criteria (% of shoppers mentioning in their top 3) and who outperforms

Group	Criterion	Share	Who is ahead (as coloured in report)
Product effectiveness	Targets specific concerns	40%	Insurgents lead in select sub-categories
	Suits skin or hair type	37%	Insurgents lead in select sub-categories
	Effective	30%	Insurgents outperform
Quality ingredients	No harmful ingredients	35%	Insurgents outperform
	Natural ingredients	26%	Insurgents outperform
	Products have actives	24%	Insurgents outperform

Group	Criterion	Share	Who is ahead (as coloured in report)
Value perception	Loyalty programme	22%	Insurgents outperform
	Value for money	18%	Insurgents lead in select sub-categories
	Attractive packaging	17%	Incumbents outperform
	Promotions	8%	Incumbents outperform
Brand power	Brand reputation	23%	Insurgents lead in select sub-categories
	High sustainability	21%	Insurgents outperform
Availability	Online availability	20%	Insurgents outperform
	Offline availability	15%	Incumbents outperform

Source: Indian Insurgents Report (2025); consumer research, N = 1,050. The colour coding of who is ahead is the report's.

The criteria that matter most are about the product, not the brand: whether it targets a specific concern (40%) and suits the skin or hair type (37%), followed by what it contains (35% no harmful ingredients). Insurgents outperform on 7 of the 14 criteria, lead in select sub-categories on 4 and trail on 3 (packaging, promotions and offline availability, from the colour coding). A pattern is visible: insurgents win where the buyer judges the formulation and trail where the buyer judges the shelf. The deficits in offline availability (15%) and promotions point to the distribution wall that comes next.

3.10 Capabilities and stall points

3.10.1 The capabilities behind the numbers

The report lists five capabilities that insurgents build on their home channels: in-sourced digital marketing, on and off platform, with a dedicated team for performance marketing; daily growth-hacking rhythms with daily review and optimisation; always-on consumer insight from feedback, searches and trends; test-and-learn with 10 to 15 in-market tests a month; and joint category creation with retailers. The five explain the cost results above. A brand that runs its own marketing and tests continuously can cut spending on what does not work in days, not quarters, and that discipline is consistent with marketing costs of 9% to 11% of revenue for Insurgex+ brands against 13% to 19% for the rest. The report presents this as a capability and not a result of the sample, and the data cannot separate the two; it is plausible, not proven.

3.10.2 Why brands stall

The report shows that fewer than 10% of BPC insurgent brands have scaled to Rs 500 crore and gives three reasons, summarised in Table 19. Online share plateaus at 10% to 15% for a brand as categories fragment, since 60% of best-seller revenue comes from products launched in the last four years, and online searches move toward brands. Online adjacencies, a wider range sold through the same channel, can add 20% to 30% revenue without much extra cost. And the first wave of scaling is online-centric, driven by a few hero products, and copying an incumbent's route to market leads to sub-scale economics.

Table 19: Scaling observations and implications in the report

Observation	Implication for the insurgent
Online share plateaus at 10% to 15% as categories proliferate	Keep launching: bursts of news and innovation; build a portfolio that supports investment
60% of best-seller revenue from products under 4 years old	Brand building, not performance marketing, drives long-term brand performance
Online brands stretch more easily than offline	Online adjacency: 20% to 30% incremental revenue without material extra cost
A few hero products drive the bulk of revenue	Adopt a hero-product-led (not master-brand) model offline; assortment customised by channel
Replicating the incumbent route-to-market gives sub-scale economics	A distinct offline playbook; in general trade, focus on quality of reach and velocity over number of outlets

Source: Indian Insurgents Report (2025), summarised.

Proposition P7 is partly supported. The wall is visible in the counts (Figure 12, 8 brands above Rs 300 crore and 4 above Rs 500 crore) and the cause the report gives is distribution. The data do not show the offline channel share of the brands that stalled, so the causal claim rests on the report's interpretation and on the consumer data in Table 18, where offline availability is the one distribution measure on which incumbents lead. Greiner (1972) would recognise the pattern: the creative, founder-led phase that wins online ends in a crisis of delegation, when the brand must build a different organisation for a different channel. Penrose (1959) adds that the constraint is managerial: the ability to add people who know offline distribution is the scarce input, not the demand.

3.11 After the report: 2025 and 2026

The report is dated June 2025. Five months of later news bear on its main claims, and three are worth setting against it. They are single data points, not tests, and the sources are trade press.

- **An exit for a capital-efficient brand.** Hindustan Unilever completed the purchase of a 90.5% stake in Uprising Science, the owner of Minimalist, in 2025 at a valuation of Rs 2,955 crore for the whole company, or about Rs 2,706 crore for the stake (Business Standard, 2025; Inc42, 2025). Minimalist is in the report's USD 3 to 25 million funding tier: it raised little and sold for about USD 350 million. That fits the report's argument that a brand that scales on efficiency, with 70% gross margin and a lean P&L, is worth a premium to a strategic buyer, and it shows the pay-off of the Insurgex tests in one deal.
- **A big brand that still spends heavily.** Honasa Consumer, the owner of Mamaearth and one of the four BPC brands above Rs 500 crore, reported revenue of Rs 538 crore and a net profit of Rs 39 crore in the quarter ended September 2025, with advertising spend of Rs 180 crore (Entrackr, 2025; Storyboard18, 2025). Marketing is 33% of that revenue (calc.), in the range the report shows for BPC brands at scale and three times the Insurgex+ median. The profit shows that a BPC brand can turn profitable at this size, but not at the 10% marketing intensity of the median efficient brand; the category's economics are different from the median's.
- **The listing route.** Wakefit, one of the four brands in Table 8 (8 years to Rs 500 crore), received SEBI approval for its IPO in October 2025 along with Lenskart (Business Standard, 2025; Inc42, 2025), and the issue opened in December 2025. Both are brands that crossed the Rs 300 crore wall and chose public markets to fund the next stage.

Taken together, these three events show the two exits from the marathon: a sale to a strategic buyer, which prices efficiency, and a listing, which prices scale. They do not show that the average insurgent will reach either. The report's own figures say that fewer than one in ten BPC insurgents will reach the scale that supports a listing.

3.11.2 Five brands in brief

Table 20 collects what the report and the 2025 news say about five brands that appear in the analysis. It is a set of illustrations, not a sample, and it uses only facts from the report and the sources already cited.

Table 20: Five brands, what the report and the 2025 news show

Brand	Category and tier	Years to Rs 500 Cr (report)	What is known after June 2025
Mamaearth (Honasa)	BPC, USD 50M+ tier	6 (4 + 1 + 1)	Quarter to Sept 2025: revenue Rs 538 Cr, net profit Rs 39 Cr, advertising Rs 180 Cr (33% of revenue)
Minimalist	BPC, USD 3M to 25M tier	Not given	90.5% sold to HUL in 2025 at a Rs 2,955 Cr valuation (about USD 350M)
Wakefit	Home and sleep	8 (5 + 2 + 1)	SEBI approval for IPO in October 2025; IPO in December 2025
boAt	Wearables and audio	9 (5 + 2 + 2)	Not covered in the sources used here
Veeba	Food and beverage	9 (4 + 4 + 1)	Not covered in the sources used here

Source: Indian Insurgents Report (2025); Business Standard (2025); Inc42 (2025); Entrackr (2025); Storyboard18 (2025).

The table shows the spread inside the sample. Mamaearth reached the milestone in 6 years and is among the quickest, yet it still spends a third of its revenue on advertising a decade after founding. Minimalist, which is not in the time-to-scale sample, reached a valuation of about USD 350 million having raised in the lowest funding tier, which is as close as the data come to a real example of the efficient path. Wakefit took 8 years and took the listing route. Three different brands, three different exits or stages, and no common template, which is the main reason this paper offers benchmarks and not a prescription.

3.12 Data quality: what does not add up

A report built from filings, funding databases, surveys and marketplace pages will have gaps. Table 21 lists eleven that I found when checking the numbers against one another. None changes the direction of a main finding, but several change how precisely a finding can be stated.

Table 21: Inconsistencies and ambiguities in the source

No.	Issue	Where	Effect on this paper
1	Insurgents with FY24 data given as 161, 164 and (for FY23) 172	Funnel, Insurgex count	Shares of 161 and 164 differ by under 1 point; I use 161 for the funnel
2	FY23 Insurgex count revised from 18 to 24	Insurgex by year	I use 24; earlier editions understate the trend

No.	Issue	Where	Effect on this paper
3	75 to 500 Cr takes 4 years on one page, 4 to 5 on another	Time to scale, highlights	Medians sum to 4; the 5 is a range end
4	Insurgex+ is 46 brands in one place and 45 in another; the marathon sample adds to 38	Cohort definition	I use 38 for the share facing a slow year
5	Wearables: share change (14.4x) does not match growth ratio (5x)	Growth page	Growth multiples used; wearables share not relied on
6	NPS chart: both panels labelled top insurgent brands	NPS page	Second panel read as incumbents
7	Incumbent current users / considered printed as 39% for one brand; 23 / 64 = 36%	Funnel page	Own ratios used, in Table 17
8	Percentile gross margin lines are labelled ambiguously	Margin chart	Spread described, not named by percentile
9	Amazon "60% of top bestsellers" is a share of 30-day revenue, not SKUs; bars sum to 99% to 101%	Innovation page	Described as revenue share
10	Exchange rate Rs 85 on most pages, Rs 86.75 on BPC page	Notes	Rs 85 used throughout; effect under 2%
11	Loss funding in the capital analysis exceeds what median EBITDA implies	Capital page	Capital used as printed; size flagged in Section 3.7

Source: my checks of Indian Insurgents Report (2025).

4. Conclusion

4.1 Findings and a decision framework

4.1.1 What the propositions show

Table 22: The eight propositions against the evidence

Proposition	Verdict	Main evidence
P1 Outgrowth in every category	Supported	Outgrowth ratio 2.1x to 5.0x; widest gap not in the newest category
P2 Quality filter	Supported	32 of 161 pass; Insurgex share up from 14% to 20% in a year
P3 Marathon	Supported	About 25 of 38 have had a slow year; all brands four years past Rs 75 Cr have
P4 Margin at birth	Supported (small sample)	Median gross margin within 3 points from Rs 75 to 500 Cr
P5 Cost discipline	Supported	Gap of 19 to 20 points; half in marketing and people, half in other costs
P6 Capital	Supported	Rs 230 Cr against Rs 600 Cr; loss funding 4.2x less
P7 Wall at 300 to 500 Cr	Partly supported	8 and 4 of 44 BPC brands; cause is the report's inference
P8 Consumer	Supported (winners only)	Retention 62% against 51%; NPS 31% against 27%

Source: this paper.

4.1.2 A scorecard for entrepreneurial decisions

The evidence converts into thresholds that a founder, a board or an investor can use. They are not laws, since they come from medians of small samples that include survivors, but they give a numerical answer to the question that usually gets a vague one: are we on the efficient path?

Table 23: A scaling scorecard from the report's medians

Decision point	Benchmark from the data	Source table
Choose category and price	Gross margin is fixed at launch: about 70% in BPC, about 45% in food and beverage. If the target margin is below the category median, scale will not fix it.	Table 9, Figure 6
At Rs 75 Cr	Marketing near 14% of revenue (BPC up to 48%); people near 12%; EBITDA near -2%. Worse than -20% is the non-Insurgex+ median.	Table 9

Decision point	Benchmark from the data	Source table
Plan for a slow year	Assume a year below 30% growth within 2 to 4 years of Rs 75 Cr; hold reserves for it.	Figure 5
At Rs 200 to 300 Cr	Marketing falling to 9% to 11%; EBITDA at or above zero by Rs 300 Cr.	Figure 8
Capital envelope	About Rs 230 Cr to go from Rs 75 Cr to Rs 500 Cr, of which about Rs 130 Cr is losses and Rs 65 Cr is working capital. Above Rs 400 Cr is the non-efficient path.	Table 13
Product pipeline	Expect 2 to 3 years for a launch to become a best-seller; run a pilot of under 6 weeks, a 6-month test and a 2-year review.	Figure 13
Channel	Online share plateaus at 10% to 15%; use online adjacency for 20% to 30% extra revenue; build a separate, hero-product offline plan.	Table 19
Consumer check	Repeat rate (current users / buyers) near 60%; NPS above the category average.	Table 17

Source: this paper, built from Indian Insurgents Report (2025). Benchmarks are medians, not targets for every brand.

4.1.3 What this means for each actor

- **Founders.** Test the margin structure and the repeat rate before spending on scale. Build the cost base for the revenue you have, and prepare a distinct offline plan before the online channel stalls at 10% to 15% share.
- **Investors.** Use capital efficiency, not growth alone, as the screen: 52% of fast-growing brands in the sample were fast because they were financed. Reserve capital for working capital and not losses, and expect a slow year.
- **Incumbents.** The insurgents win on formulation, targeting and digital, and trail on offline availability, packaging and promotions. Acquisition (Minimalist) is a route; the wall at Rs 300 to 500 crore is where incumbents' distribution is most valuable.
- **Educators and policy makers.** The data show that the supply of new brands is not the constraint; the number that scale is. Skills in distribution and operations, and public data on brand-level filings, would help.

4.2 Limitations and further research

The study has seven limits. The main one is that the dataset rests on the Indian Insurgents Report 2025, whose methods and sample cannot be audited here, and whose publisher is not named in the pages I had (the source notes refer to DSG analysis). Second, many values were read from charts and may be off by a point. Third, the samples are small: 24 brands for the capital analysis and 38 for the marathon. Fourth, survivors are over-represented, because the Insurgex+ group is defined by success; the result that these brands have lower costs is partly built into the definition. Fifth, medians are used for each line and cannot be added. Sixth, the consumer survey covers affluent BPC shoppers

only, and the comparisons are between the top three or four brands in each group. Seventh, the 2025 and 2026 evidence is from trade press and is illustrative.

Further work could use firm-level MCA filings for the 161 brands to test the propositions directly, for example by estimating survival models of the slow year, test whether marketing intensity falls with scale after controlling for category, and extend the analysis beyond BPC to apparel and food, where the report gives only a few lines of data.

4.3 Conclusion

The Indian Insurgents Report says that scaling is a blueprint, and the data support that, with a qualification: the blueprint is mostly about what a brand does not do. It does not chase gross margin after launch, since gross margin stays where it was born. It does not let marketing and payroll grow as fast as revenue. It does not fund losses, which is the item that makes a Rs 230 crore journey into a Rs 600 crore one. And it does not expect the pace to hold, since two thirds of the brands past Rs 75 crore have already had a slow year.

On the demand side, the brands that scale win the affluent, digital consumer in categories that did not exist ten years ago, and they keep that consumer better than the incumbents do. The wall comes when that consumer is no longer enough: below Rs 300 crore a brand can live on its home channel, and above it needs an offline playbook, a portfolio and a larger organisation. Only 4 of 44 BPC insurgents have crossed Rs 500 crore. The 2025 sale of Minimalist and the IPO filings that followed suggest that the market now pays for both ends of the journey, efficiency and scale, and the evidence of this paper is that the first is the better predictor of the second than the other way round.

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