



CLIENT STORY | MARKET ASSESSMENT AND AFTERMARKET ENTRY STRATEGY FOR A LEADING AUTO COMPONENT PLAYER IN INDIA

Region :
INDIA

Consulting Services :
MARKET ASSESSMENT, BRAND EXTENSION, MARKET ENTRY STRATEGY

CLIENT SITUATION

- The client is a USD 500 Mn group offering a wide range of automotive components through its group companies and is a reputed brand with OEMs and aftermarket
- As part of its growth strategy, the client group wished to explore opportunities for growth in the aftermarket segment through brand extension
- Before embarking on this initiative, the client invited Avalon Consulting to evaluate the merit in pursuing brand extension and to prepare a preliminary list of products which the aftermarket will accept from client's brand

OUR APPROACH

- Avalon prepared a long list of auto components using secondary data sources and then generated a first shortlist by applying relevant boundary conditions
- This was followed by quick interviews with aftermarket dealers and mechanics for evaluating market potential of the shortlisted products. Products with attractive market potential were selected into a second shortlist
- Avalon then executed a detailed market study on the shortlisted products to evaluate customer's prima facie acceptance for the products under client's brand, competitive intensity, key purchase criterion of consumers etc.
- Avalon also evaluated the client's brand to understand the client's value proposition from the market perspective
- Finally, a list of about 20 priority products was arrived at based on the analysis of product's competitive scenario and market acceptance under client's brand

OUR RECOMMENDATION/ IMPACT

- Avalon Consulting recommended 5 high priority products (out of the 20 priority products) which had strong alignment with client's brand strengths and also high prima-facie acceptance in the market under client's brand
- Avalon also identified priority target segments, scope for differentiation and developed customized attractive value proposition for the high priority products based on the key purchase criterion and competitive scenario identified from the market
- This was supplemented with high level recommendations on distribution channel and sourcing options for the priority products
- Client has accepted Avalon's recommendations and Client's group companies are now executing the ground work required for market entry