



CLIENT STORY | DIPSTICK ASSESSMENT OF THE OPPORTUNITY IN THE NASCENT PP PIPES SEGMENT IN INDIA

**Region :**  
INDIA

**Consulting Services :**  
MARKET ASSESSMENT

## CLIENT SITUATION

- The client is a leading European manufacturer of pipe systems for residential, industrial and commercial segments covering water supply, SWR and sewage segments
- The client wished to enter the rapidly growing Indian market in the SWR segment, with their range of Polypropylene (PP) pipes, with an emphasis on Acoustic drainage systems
- The new range was proposed to be priced significantly higher than existing conventional PVC systems
- Avalon Consulting was invited to assess the existing market for Polypropylene pipes and fittings in SWR drainage systems, and develop a five year forecast

## OUR APPROACH

- The existing market for PP pipes and fittings in India (both PP-HT and PP-Acoustic) was quantified, market share of players assessed and reasons for low penetration of PP examined
- Target customer segments most likely to adopt the new, more expensive product were identified, through detailed interviews with market participants, including developers, distributors and service consultants
- Value proposition of PP vis à vis other competing materials was communicated to prospective users to gauge their response towards usage of PP at various price points
- Approaches being followed by global players operating in India were studied, their business models understood and strengths and weaknesses identified
- Potential demand at alternative price points was forecast for five years based on floor space addition estimates and estimated PP penetration based on above responses
- High level financials were created to obtain an approval from the Board for an in-depth entry strategy creation

## OUR RECOMMENDATION/ IMPACT

- The Board gave a go ahead for a detailed study and an entry strategy development is currently underway