

Revenue Growth Strategy for an FMCG player in Indonesia

THE AVALON EDGE

A leading Indonesian FMCG company with strong core categories faced stagnating growth due to limited geographic reach and over-reliance on wholesale distribution

Avalon was engaged to develop a revenue growth strategy focused on regional expansion and structured product diversification



Client Situation



A prominent Indonesian FMCG company with strong historical performance in a few core categories but **stagnating topline growth** in recent years



Despite national operations, its **market share was highly concentrated in a limited set of regions**, leaving large geographic and channel white spaces untapped



Sales execution was heavily reliant on **wholesale-led distribution**, limiting control over pricing, promotions, and in-store availability



The company had initiated some **product diversification efforts**, but lacked a structured approach to assess, prioritize, and commercialize new products



The client engaged Avalon to **develop a comprehensive revenue growth strategy**, covering both increasing their penetration in untapped regions and entering into new product segments



Key Challenges



Significant gaps in distribution and numeric reach in several high-potential regions

01



Low direct retail engagement, especially in distributor-driven markets, leading to inconsistent availability and merchandising

02

03

Misaligned pricing strategies in key markets where competitors had stronger consumer value perception



04

Underutilized brand equity, with few efforts made to leverage strong-performing products to support weaker ones through bundling or promotions



05

Fragmented innovation pipeline, with multiple product ideas but no unified mechanism for evaluating scalability, competition, or execution readiness








Intervention


Conducted deep-dive diagnostics across key underpenetrated regions to identify tailored growth levers.

Designed geography-specific strategies to enhance retail presence and control:

 **Reduced wholesale discounts** to prevent undercutting and enable stronger direct retail push

 **Introduction of van sales pilots** to enable real-time retail servicing in fragmented outlets


 **Shifted select markets to direct distribution** to improve control and expand retail reach


 **Realignment of distributor incentives and governance structures** to drive more focused selling effort

Deployed multiple commercial levers to drive growth in existing regions:


 Introduced **targeted pricing corrections** in select markets


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 Rolled out **customized promotional campaigns** to drive awareness and conversions in underserved regions

 Implemented **bundling programs** to increase shelf presence of slower-moving products

Developed a Framework to Identify and Launch High-Potential New Products:

 Created a **screening and prioritization framework** to evaluate over 50 potential ideas

 Shortlisted a **focused set of ~20 commercially viable products** based on market attractiveness and internal capabilities

 Developed **rollout plans** for a few priority products with robust margin potential and strong alignment to current channels





Our Impact

Avalon's recommended strategy drove ~47% revenue growth from new geographies and ~9% from new products, with a ~150% EBITDA boost through margin expansion and operational efficiencies

01

Revenue Growth from Untapped Geographies:

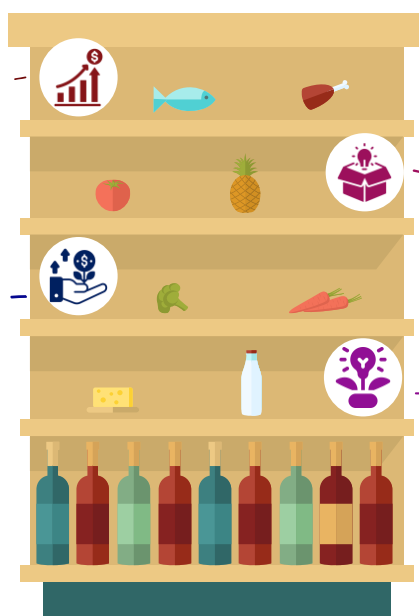
Strategy led to an estimated ~47% increase in revenue over 3 years, through deeper penetration and improved sales execution+



02

Product Innovation Pipeline:

A structured pipeline of 5-6 high-priority new products was finalized - backed by detailed business plans, competitive landscaping, and high-level go-to-market strategies to enable phased execution with commercial clarity



03



Revenue Growth from New Products:

Rollout of select 2 new products expected to add an additional ~9% in topline over the same period

04

EBITDA Impact:

Combined growth initiatives projected to deliver a ~150% EBITDA increase, with margin expansion driven by product mix optimization, reduced discount leakage, and improved operating efficiencies



Shabal Goel
Vice President
shabal.goel@consultavalon.com
+91 84476 42336



Sounak Chatterjee
Associate Vice President
sounak.chatterjee@consultavalon.com
+91 77570 44311

