

Unlocking Scalable and Profitable Growth in Packaged Basmati Rice

THE AVALON EDGE



Avalon engaged with a leading global agri-business to build a scalable and profitable packaged Basmati rice business in India.

Through deep strategic involvement, Avalon played a pivotal role in pan-India growth, laying the foundation for long-term value creation



Client Situation



The client is a market-leading, differentiated agri-business across food, feed, and fiber, with 33 years of global origination, processing, and market insight.



In 2020, the client entered India's packaged Basmati rice market, initially targeting the South to tap into biryani-led demand.



The business has since expanded pan-India, strengthening its presence across the country.



The client aims to build a scalable and profitable packaged Basmati rice business in India, with a strong focus on long-term growth.



Key Challenges



The client had previously tried to enter the profitable consumer packs segment but struggled, with 95% of their sales in bulk packs

Entering the Profitable Segment



Clarity on which Indian states offer the highest potential based on demand, competitive intensity, and cost-effective distribution

State-Level Market Mapping



Difficulty in identifying high-value customer segments based on cuisine preferences and usage occasions (daily use vs. festive/special occasions)

Consumer Segmentation



Uncertainty around which pack sizes (1kg, 5kg, 10kg, bulk), variants (premium aged, organic, flavored), and positioning (value vs. premium) align with demand across different price tiers and regions

Portfolio Complexity



Determining an optimal mix between general trade, modern trade and online platforms to maximize reach and margins

Channel Mix Optimization



Understanding of the optimal pricing model across channels and product SKUs, especially when competing against larger, well-established brands

Pricing Strategy



Limited effectiveness of current trade schemes and consumer offers; needed a clear roadmap for promotional strategy including spending on ATL and BTL

Promotional Strategy



Needed stronger on-ground execution through frontline teams and more accountable, performance-driven distributor partnerships to ensure consistent market coverage and retail visibility

Sales & Distribution Team



Avalon's Intervention



State Classification

Assessed demand potential, competitive intensity, and distribution economics across states through primary research and channel partner interactions. This helped us to develop a state classification model that could serve as an input into designing a national strategy for Basmati

Go-to-Market Blueprint

Developed a granular, state-wise 5-year GTM plan for Strategic States, including:

- ✓ Pricing and pack-size strategy tailored to regional demand and price sensitivity
- ✓ Optimized channel mix with a focus on margin pools and reach
- ✓ Manpower deployment planning for salesforce effectiveness
- ✓ ATL/BTL investment roadmap to build consumer pull and trade loyalty



Consumer & Channel Landscape Mapping

Conducted extensive benchmarking of competition covering SKU mix, pricing, channel strengths, manpower strategy and marketing spends to identify whitespace opportunities across consumer segments and usage occasions

Business Plan Development

Created a comprehensive 5-year business plan with:

- ✓ Detailed revenue and volume projections by state, channel, and SKU
- ✓ Cost structure analysis and break-even timelines
- ✓ Profitability pathway with key levers
- ✓ Working capital roadmap accounting for inventory and credit cycles





Our Impact

Our interventions significantly transformed the client's go-to-market strategy, driving sharper focus, execution, and financial planning.

These strategic shifts enhanced market prioritization, improved channel efficiency, and laid the foundation for scalable growth

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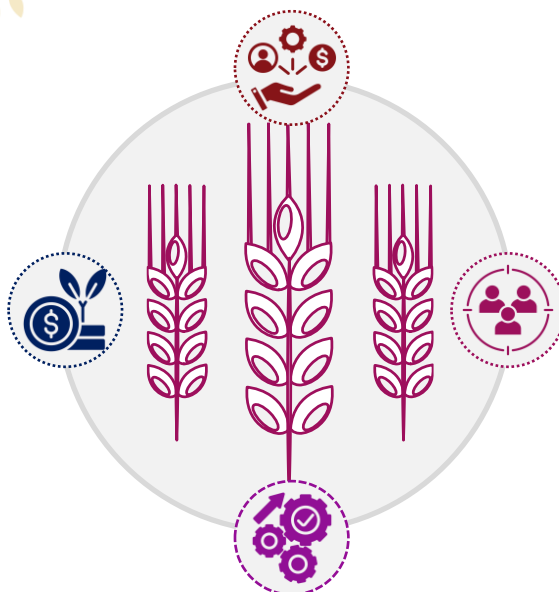
Sharper Market Focus

Reallocation of resources to 5 high-potential Strategic States and exit or de-prioritization of low-ROI markets

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Financial Visibility & Investment Readiness

The detailed 5-year business plan provided a credible roadmap for growth capital and negotiating with channel partners. Improved visibility into working capital needs and ROI enabled smarter allocation between working capital, marketing, and manpower expansion



02

Improved Channel & Consumer Targeting

SKU rationalization and pack-size strategy tailored to regional demand for higher throughput per retailer and increased off-take in key markets. Redesigned channel mix for enhanced availability while optimizing margins and boosting gross margin by 12% over 5 years

03

Stronger Execution Discipline

Planned deployment of performance-driven sales and distribution structure with clear sales beat planning and distributor engagement frameworks to result in better market coverage and retail execution, increasing numeric distribution by >600% in top 5 states over 5 years



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