



CLIENT STORY | NEW PRODUCT CONCEPTUALISATION AND PRODUCT FEATURES VALIDATION

Region :
 INDIA

Consulting Services :
 MARKET ASSESSMENT, NEW PRODUCT CONCEPTUALIZATION, NEW
 PRODUCT DESIGN & FEATURES INPUTS

CLIENT SITUATION

- The client is a large player in the Indian Commercial Vehicles segment, offering a range of vehicles in the medium to heavy category
- The commercial vehicle market in India had been growing at a double digit pace and many companies – both Indian and global were eyeing this space
- In light of this increasing competition intensity, the client wanted to consolidate its position in the market by introducing new vehicle models in the light commercial vehicle segment as well as in the passenger segment
- Avalon Consulting was engaged to provide consulting inputs to help the client improve their product portfolio. The client wanted support in identifying specific vehicle opportunities rated in terms of payload capacity (in goods) & seat capacity (in passenger) as well as recommend certain product features to be offered in those vehicles

OUR APPROACH

- The study was conducted in two phases – (1) identifying the vehicle opportunity (2) providing product design inputs
- For the passenger vehicle, the continuum of vehicles were first bucketed into number of seats and 'Acquisition cost per seat' was used as one of the inputs to identify the key vehicle category gaps in the market
- Further detailed analysis of the vehicle population was carried out by categorizing them into a matrix of number of seats vs. application segments and the underlying dynamics and economics which drive adoption of specific models in the target application segments
- Outcome of Phase I was a recommendation on two new product opportunities
- Market feedback on the new product opportunities were then used to provide insights for product design

OUR RECOMMENDATION/ IMPACT

- Two new product opportunities were recommended along with the basic and add-on product features (for different vehicle variants)
- A sensitivity analysis was done on various parameters to arrive at an optimal price for the various vehicle variants
- Based on our recommendations, the client entered into a JV with a global partner and have developed a prototype of one of the vehicles
- R&D work is still on to improve the vehicle and offer the product at the optimal price identified