



## CLIENT STORY | TURNAROUND OF A FROZEN FOODS BUSINESS

**Region :**  
INDIA

**Consulting Services :**  
PERFORMANCE IMPROVEMENT

## CLIENT SITUATION

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- Avalon started with assessing the profitability of the company's portfolio both an individual SKU level as well as at a product category level. This helped to identify the low and high performing segments in the portfolio and the lagging SKUs within them
- Avalon then analysed the cost structure of the problem SKUs to understand the driver for performance and recommended some quick wins
- As part of the cost reduction program, Avalon employed a two pronged approach wherein it looked at reducing incremental costs such as RM, PM and Logistics for As Is operations and also at reducing structural costs by looking at reducing manufacturing costs through outsourcing or relocation of facilities
- Finally, Avalon developed projected P&Ls that took into account both opex and capex expenses for the shortlisted manufacturing option and arrived at an ROI and payback for the investment

## OUR APPROACH

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## OUR RECOMMENDATION/ IMPACT

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- Turnaround within one year of completion of the assignment
- The business registered c.40% growth and double digit profitability on most product lines basis recommendations from Avalon on product portfolio review
- It is currently implementing recommendations on relocation of manufacturing centers to enable structural improvements in profitability and scalability