



## *Reinvigorating growth for a bicycle tyre company*

### Client Situation

- The company was one of the largest manufacturers of bicycle and rickshaw tyres and tubes in India
- The bicycle tyre market in India was highly competitive and the company faced intense competition from host of organised and unorganised players
- In eastern region, the biggest and the most attractive market, company's market share had declined substantially
- In southern region, company had lost its dominant position and its sales had declined considerably in the past three years
- The company's top management requested UC to conduct a study to address key strategic issues they face and develop following strategies:
  - Strategy to regain leadership in this market (product, pricing and promotion strategy)
  - All India branding strategy
  - Distribution strategy with a view to reducing costs and improving service levels

### UC Role

- Conducting primary research in 10 states
- Classified the industry players in 3 tier structure and analysed the position of each tier in each state in different product categories
- Analyzed the demand trend for different product categories in each region and defined a product focus strategy for the regions
- Analyzed branch wise dealers performance (sales turnover and outstanding) and classified them in to 'A', 'B' and 'C' class. Defined a overall framework for dealer classification
- Compared the branch, the distributor and the C&F options in each state and defined state specific initiatives for type of depot and depot location
- Analyzed product category wise and player wise the pricing policy, the different discount components offered and the margins to the wholesalers and retailers
- Formulated a pricing strategy for different product categories in each state defining the framework for different discount component in the pricing policy
- Analyzed the current brands performance and defined a strategy for brand architecture, brand leverage and brand promotion
- Analyzed the sales of all the SKU's in each region and classified them into "Winners", Sleepers" and "Losers"
- Defined initiatives for sales promotion to be undertaken by the company in each region for each product category targeting different channel members
- Identified the problems in packaging and quality and recommended improvement initiatives
- Designed an organisation structure and defined job profile, job description, key result area and key performance Indicators for each position
- Defined the MIS report requirement and the information system initiatives

### Client Benefits

- Strategy to regain leadership by revamping the marketing strategy, branding strategy, organization structure and information system related initiatives