

CASE STUDY

Conducting Cost Breakdown Analysis of Water Purifiers





Client

A Consumer Products Company



Industry Consumer & Retail



Solution Competitive Intelligence



Region

APAC







OBJECTIVE AND SCOPE

The client, a leading CPG company, wanted to understand the best practices and cost analysis of manufacturing, distribution, and sales models for key competitors in the RO/UV water purifier segment. It wanted Benori's support in conducting a detailed competitive intelligence on the top manufacturers in India. The study focused on creating detailed competitor profiles covering market intelligence parameters such as product P&L, revenue models, supply chain models, sales channels, retailer margins, operational costs, and organizational structures etc. of the target companies.





APPROACH

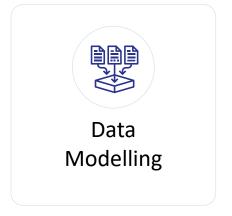
We conducted secondary and exhaustive primary research to understand the operations involving in-house and outsourced operations, information related to call centers and services, distribution, and sales channels. We then conducted telephonic interviews with distributors, retailers, senior stakeholders, and sales and purchase teams of the target companies to gain an in-depth understanding of the cost breakdown and best practices.



METHODOLOGY













Impact

The detailed insights helped the client in enhancing its overall operations efficiency and increasing ROI by:

- Gaining a deeper understanding of the top manufacturer's best practices in the RO & UV specific segments
- Shaping its routine operational strategy, including strategic decisions such as suitable sales and supply channels, cost-based decisions





Sample Output

| | | riayeis | Overview | | | | |
|---|-----------------------|-----------------|---------------|----------------------|-----------------|---------------|--|
| Player 1 - Overview | | (1/2) | | | | | |
| Player 1 sales constitutes of XX% from w ervice of water purifier business Key Parameters | ater purifier & rest | through others, | 155 | tributes through pro | oduct sales and | XX% through | |
| Overall Revenue (in INR Million) | xx | | | | | Total | |
| Product Category | Water Purifier Others | | | | | | |
| Overall Revenue Split (in %) | | | XX1% | | XX% | жж% | |
| Revenue (in INR Million) | | | xx | xx xx | | | |
| Revenue Model | Sa | les | | Servi | | | |
| Revenue Split (in %) | × | 06 | | 3009 | XX96 | | |
| Revenue Split (in INR Million) | × | ox | | ж | ж | | |
| Segment | Water Purifier | | | | | - | |
| Verlant | UV | RO | Total | Spare Parts | AMC | Total | |
| Revenue Split (in %) | 300% | 30094 | 300% | XX56 | 300% | XX% | |
| Gross Margins (in %) | XX96 | XX96 | XX% (Blended) | XX% | XX% | XX% (Blended) | |
| Sales (in INR Million) | xx | ж | xx | xx | xx | ж | |
| | | | | | 1011111111 | | |

| Key Parameters | | General Trade (XX%)* | | | | Modern Trade (107%)* | | | E-Commerce (XXX)* | | | | |
|--|----------------------|----------------------|------------|------------|--------|----------------------|------|------------|-------------------|------------|--------|------------|--------|
| Pri. Player 1 | (right selling SKUs) | W | | AU | | W | | 80 | | 8V | | RO. | |
| | | (m Value): | In(N) | (in Value) | In(%) | (In Value) | m(%) | (In Value) | W(N) | [In Value] | In (%) | (In Value) | 11 (%) |
| MRP Per Unit (INR) | А | XX | | XX | 111 | XX | | 23 | | XX. | | XX | |
| Discount on MRP | 9% | 111111111111 | xx1% | | xxh | | 20% | | 30% | | XX% | | 30% |
| ASP (Average Selling Price) INII | ASP:A*(1-8%) | XX | | XX | | XX | | 300 | | XX | | XX | |
| Retailer Retention %(Calculated on ASP) | C% | | 300% | | XX% | | 30% | | 33% | | XXI% | | 300% |
| Retailer Retention Value(On ASP Calculated) | RLP=ASP*(1-C%) | 701 | 22 million | XX | V.177. | XX | | 33 | | 100 | | 300 | |
| Netaller Landing Price IMI | | XX | | XX | | XX | | XX | | 100 | | XX | |
| Distributor Margin N | ON. | diame. | XX56 | | XXX5 | | | | | | | | |
| Distributor Price INR | | XX | 100-0-1 | XX | 177.77 | | | | | | | | |
| Cash Discount | | XX | XX55 | XX | 305% | | | | | | | | |
| Annual Distount | | XX | XX% | XX | X8% | XX | XX% | 13. | 30% | | | | |
| Retailer Landing (Net Landing Price) | | 200 | 11.000 | XX | 77.77. | XX | | XX | | XX | - | 300 | |
| Distributor Landing Price (Net Landing Price) | | 300 | | XX | | | | | | | | | |
| Tax paid by the Company | | | | | | | | | | | | | |
| Net Revenue / Turnover to Company (Manufacturer) | =0(9/1.18 | 300 | | XX | | XX | | XX | | XX. | | XX | |
| ASP : Landing Price Ratio | | 7 | XXS | | 20% | | 30% | | 10% | | XXS | | 30% |
| Material Cost | | xx | 1 Vicinity | XX | | XX | | 33 | - 17 | 1X | 1777 | 33 | 1 11 |
| rtRity + Assembling Cost | | XX | | XX | | XX | | XX. | | XX | | 300 | |
| Distribution cost (Primary + Secondary Freight) | | XI | | XX | | XX | | XX | | XX | | XX | |
| Other Costs (Production, Wastage, others) | | XX | | XX | | XX | | 33 | | XX | | XX | |
| Gross Margin | | XI | XXX | XX | XX55 | 300 | 30% | XX. | 30% | 300 | xxt% | XX | 100% |

About us:

Benori is a trusted partner for knowledge solutions across the globe, serving clients from a wide range of industries including Professional Services, Financial Services, Consumer & Retail, Technology & Internet, Industrials & Manufacturing, and more. Our customized solutions strengthen the insights value chain of our clients, empowering them with key insights needed to drive intelligent decision-making and accelerate growth.

Headquartered in India, Benori is uniquely positioned to deliver multilingual research needs of global clients, powered by its digital agility, deep research capabilities and a highly experienced leadership team. Adopting a 360-degree approach, our team employs a combination of diverse methodologies including primary research, secondary research and data modeling, and offers detailed foresight on market trends, competitive shifts, regulatory changes and technological advancements.

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