



**Sonia won't read
an operating manual.
So make it obvious
how the **washing
machine** works.**

Shining Perspective

- Rural markets hold the key to success
- Strong distribution network as well as innovative product design is the way into the future
- **Perceptible Selling Differentiation** not an option but a necessity for survival

The sector will witness more laboratories technologies seeing light of day as consumer confidence in economic environment builds up slowly.

Product innovation led differentiation will drive market demand. Total cost of ownership would be a key factor driving purchase.

Rural consumers hold the key to success in this vertical. As markets spread out from saturated urban regions to low penetrated rural areas and Tier II/III towns, distribution network and brand recognition will continue to play even more significant roles in determining market share and profitability.

Increasing competition and technology adoption has led to a situation where basic function of most of the consumer durable goods has been commoditized. This has created a situation where identifying a unique differentiating factor has become imperative.

There may be increased involvement of OEM's in consumer financing of autos. Several players are considering entering the space with captive auto-financing companies. In the marketing arena, there is a squeeze expected in marketing and advertising budgets.

Industry Growth Drivers

- Increasing disposable income
- Rapid urbanization
- Availability of easy finance

- Product innovation
- Increasing presence of organized retail
- Increasing depreciation of the rupee

Industry Competitive Scenario

- Highly competitive with presence of larger players with national presence
- Product innovation centric
- Expanding distribution network

Industry Complexity

- Weak Distribution network
- Demand for highly customized products
- Highly price sensitive market
- High tax rates increasing total cost of ownership
- AI ready saturating Urban market generating next wave of demand from rural and semi-urban areas
- Lack of social skills among people selling these products

Industry Pain Areas

- Weak distribution networks
- World wide Inflation
- Increasing credit rates



Delivering extra benefit

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