

STRATEGIC ANALYSIS

# Pain points in today's market

Product Management & Supply chain

# 1. EXPIRY VS. AVAILABILITY PARADOX

**The Struggle:** Balancing high service levels against the "dumping" of short shelf-life inventory.

**The Loss:** Physical waste (write-offs) often exceeding 4-7% of revenue in fresh categories.

**Solution:** AI-driven forecasting using real-time POS and FEFO logic.

Legacy Manual Error

28% MAPE

AI-Driven Accuracy

12% MAPE



## 2. FRAGMENTED "SECONDARY SALES"



**The Struggle:** The "Black Hole" between distributor sell-in and retail sell-out.

**The Loss:** "Channel Stuffing" masks low demand, leading to 20% idle inventory in the chain.

**Solution:** Deployment of a real-time Distribution Management System (DMS).

- ✓ 100% Outlet-level visibility
- ✓ Optimized trade spend allocation

## 3. CLEAN LABEL REFORMULATION



### R&D Pressure

Swapping synthetic stabilizers for natural alternatives while maintaining the same flavor profile.



### Margin Risk

Natural ingredients can increase raw material costs by 15-30%.



### Stealth Health

Phased "stealth" swaps supported by sensory testing panels to avoid consumer rejection.

Market Projection: **\$69.3B** by 2029 (6.7% CAGR)

## 4. QUICK COMMERCE DELIVERY SQUEEZE

**Struggle:** Rise of 10-minute delivery requires dark-store specific packaging and high-frequency replenishment.

**Loss:** Logistic complexity eats into the unit economics of small packs.

**Solution:** Exclusive SKUs designed for "Small-Bin" storage and high impulse margins.

30%

Impulse Purchase Share

73%

YoY Growth

**Build An  
Delivery App  
Like Zepto**



# 5. COMMODITY PRICE VOLATILITY

**The Struggle:** Raw material prices fluctuate faster than MRP adjustments allow.

**The Loss:** Delayed price hikes cost millions in quarterly margins.

**Solution:** Value Engineering and "Grammage Reduction" (Shrinkflation).

PROFIT MARGIN FORMULA

$$M = \frac{P - (C_{\text{raw}} + C_{\text{ops}})}{P}$$



## 6. REGULATORY COMPLIANCE WARS



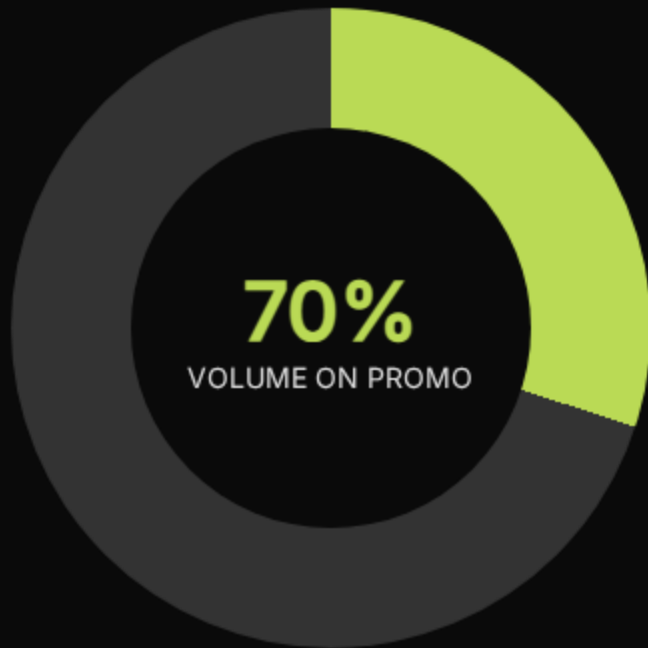
**Struggle:** Frequent FSSAI/FDA front-of-pack changes require immediate artwork updates across thousands of tons.

**Loss:** Legal penalties and the scrapping of pre-printed inventory worth millions.

**Solution:** Digital Twin Packaging and agile, small-run printing processes.

**⚠ Risk:** 100% of non-compliant inventory is legally unsellable.

## 7. TRADE PROMOTION CANNIBALIZATION



■ Promo-Induced Sales (70%)

■ Organic Brand Pull (30%)

**The Loss:** Customers are trained to buy only when discounted, eroding **Brand Equity** and long-term price integrity.

**Solution:** Transition to Value-Add promotions (GWP) instead of simple Price-Offs.

## 8. PORTFOLIO BLOAT (THE SKU TAIL)

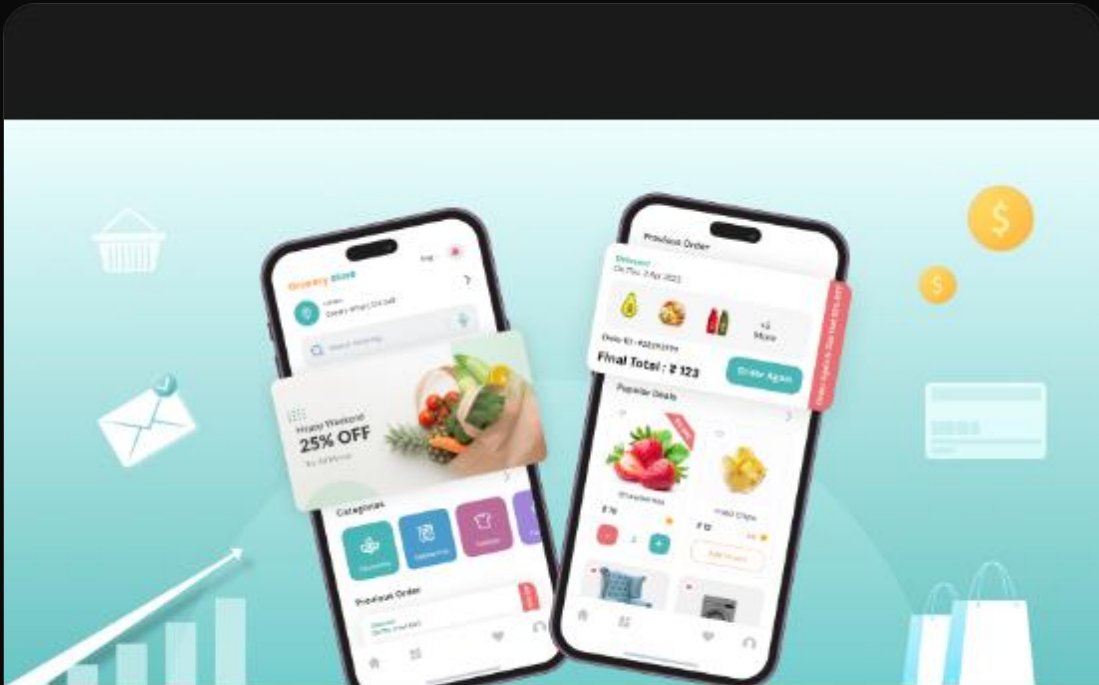
**The Struggle:** Launching variants to stay relevant leads to supply chain "clogging."

**The Reality:** 80% of revenue comes from 20% of products.

**Solution:** Annual "Cut the Tail" rationalization based on profitability.



## 9. LACK OF DIRECT CONNECTION (D2C GAP)



**The Struggle:** Layers of retailers separate the PM from the actual consumer "Why."

**The Loss:** Launching innovations based on outdated focus groups rather than behavioral data.

**Solution:** D2C microsites to gather 1st party data and run concept "Test & Learns."

**\$60 Billion Market**

Estimated D2C segment size by 2030 (India context).

## 10. COLD CHAIN INTEGRITY

# 40%

Food Loss in Developing Markets

# - 18 °C

Critical Storage Threshold

**Struggle:** "Last Mile" breakages (retailers turning off freezers at night).

**Loss:** Souring of brand trust and severe health risks.

**Solution:** IoT sensors and Time-Temperature Indicators (TTI) for visible verification.



# QUESTIONS?

Transforming Pain Points into Competitive Advantage

STRATEGY | DATA | EXECUTION