

Ricardo helped a leading global motorcycle supplier to identify significant cost reduction potentials for a complete vehicle

Situation and objective

- A motorcycle supplier planned to launch a new generation of its super sport motorcycle product range
- The established market segment leadership had to be maintained, but profit margins needed to be increased significantly
- In the existing concept status a significant gap to the target margin existed, bearing the risk of project cancellation
- Ricardo was asked to conduct a benchmarking analysis of the client's bike against two competitor bikes to identify cost reduction potentials without reduction of performance or customer relevant features

Approach

- Functional analysis of the benchmarking bikes to identify key differences and related cost reduction potentials
- Integration of specific technical experts for each vehicle module with relevant project experience

- Discussion of ideas with respective experts from client side at an early stage to align ideas with their concept and expectations
- Quantitative evaluation of the benchmarking bikes and cost reduction potentials based on former project experience and supplier quotes
- Top management final meeting to discuss counter measures

Results and benefits

- Detailed functional benchmarking analysis of the three competitor bikes for each product group / module
- Cost estimation for the three benchmarking bikes to identify major differences and cost saving potentials
- List of >100 cost reduction ideas with functional description, benchmarking reference and quantitative evaluation of the saving potential for each vehicle module (e.g. engine, chassis, electrical)
- In total ca. 50 measures with overall 8% BoM cost saving potential identified and aligned with client's development organization