



ISSN Print: 2394-7500
ISSN Online: 2394-5869
Impact Factor: 5.2
IJAR 2016; 2(12): 578-580
www.allresearchjournal.com
Received: 25-10-2016
Accepted: 26-11-2016

Mayank Raj
Guest Faculty, Department of
Business Management,
MGCGV, Chitrakoot, Satna,
Madhya Pradesh, India

Market size of Amul chocolate

Mayank Raj

Abstract

Amul is one of the respected and best brands in India. The market share can be found with the help of retailers. As the competitors are concerned there are only two of them i.e. Cadbury and Nestle. The study is also concerned to find out the various reasons due to which the retailers do not prefer to sell Amul Chocolates. Moreover the study also helps in knowing the best medium for creating the awareness about the Amul Chocolates. To know the Market share and problems faced by retailers is very important for every organization for their promotion, expansion and development.

Keywords: Strategies, positioning, market share, perception, chocolate

Introduction

In today's modern era Competition is cut throat, survival in the market itself is a difficult task. To create a brand image and lasting for long only few companies can manage to do it. To sustain in the market branding plays an important role. Branding consists of the name, symbol, term, sign, design, or any combination of these that identify the goods and services of a company and differentiate from another companies. Branding is the visual voice of a company. Companies should really be consistent in all forms of media to have a solid, recognizable voice. Any visual representation of a company should in some way convey the branding of their company. This goes much further than a trademark or a logo. It is a continuous message, image or feeling that carries through everything that comes from a company.

Brand building is not an easy task. To build brand image lots of factors need to be taken into consideration for example to build a brand Companies must determine what they are trying to convey and to whom it is intended. It may be a lifestyle, emotion or status. The key is to check everything against the message of the brand. This allows a lot of freedom in design styles as long as it supports the message of the brand. The goal is to differentiate and to create a unique brand. The challenge is to hold that together in a unifying voice.

Company Background

Gujarat Co-Operative Milk Marketing Federation (GCMMF).

Amul began the dairy cooperative movement in India and formed an apex cooperative organization, Gujarat Co-operative Milk Marketing Federation Ltd. (GCMMF), which today is jointly owned by some 2.2 million milk producers in Gujarat, India. Amul was formally registered on December 14, 1946.

Its products including milk powders, liquid milk, butter, ghee, cheese, chocolate, ice cream and pizza are widely used throughout India and abroad and have made Amul the largest food brand in India.

The brand name Amul, sourced from the Sanskrit word Amoolya, means priceless. It was suggested by a quality control expert in Anand. Some cite the origin as an acronym to (Anand Milk Union Limited). The Amul revolution was started as awareness among the farmers. It grew and matured into a protest movement that was channeled towards economic prosperity.

In 1996 Amul was one of the first major organizations in India to have a website and this has been used both to develop an intranet of Amul distributors as well as a cyber-store for consumers, one of the first examples of e-commerce activity in India.

Correspondence
Mayank Raj
Guest Faculty, Department of
Business Management,
MGCGV, Chitrakoot, Satna,
Madhya Pradesh, India

Amul is the largest food brand in India and world's Largest Pouched Milk Brand with an annual turnover of US \$3.5 billion (2015-16). Its daily milk procurement is approx 16.97 million lit per day from 18,545 village milk cooperative societies, 18 member unions covering 33 districts, and 3.6 million milk producer members. Besides India, Amul has entered overseas markets such as Mauritius, UAE, USA, Oman, Bangladesh, Australia, China, Singapore, Hong Kong and a few South African countries. Its bid to enter Japanese market in 1994 did not succeed, but now it has fresh plans entering the Japanese markets. Other potential markets being considered include Sri Lanka.

4 P's Of Amul Company

Product:- Amul has a very strong product portfolio. Amul product portfolio is comprised mainly of Dairy products. Amul butter, Amul cheese and Amul ice cream, Amul chocolate, Amul Ghee. The variety of chocolate available in market:

- Amul Milk Chocolate
- Amul Almondbar
- Amul Fundoo
- Amul Chocozoo
- Amul Bindaaz
- Amul Fruit & Nut Chocolate

Pricing: Amul has a strategy of low cost pricing. Some may call it penetrative pricing. AMUL has launched various products which cater to all customer segments. So every customer segment has different price expectation from the product. Therefore maximizing the returns involves identifying right price level for each segment, and then progressively moving through them. All the chocolates are made up of: Milk Fat (2%), Sugar (55%), Cocoa Solids (7.5%) and Solid Milk (20%).

Name of Chocolate	Weight	Price (Rs.)
Amul Milk Chocolate	35 gm	10
Amul Almondbar	35gm	10
Amul Fundoo	30gm	10
Amul Fundoo	15gm	5
Amul Chocozoo	500gm (tube)	138
Amul Bindaaz	30gm	10
Amul Fruit & Nut Chocolate	35gm	15

Place: In the distribution channel, there are carrying and forwarding agents, distributors, dealers and retailers involved. There are also Amul Shoppe's which sell all products in the Amul product portfolio.

Promotion: The major reason for Amul's absence in hardcore advertising is that Amul does not want to give away margins in advertising its products. As per Amul, their maximum budget for advertising is 1% of the turnover. Above and beyond that will directly affect the cost of the product. And the major reason for Amul's strong presence in the market is its excellent quality combined with the affordable price. Thus, overall promotions will always be low for Amul except for the outdoor advertising of Amul butter.

Objectives of the Study

1. To determine market size of AMUL chocolate.

2. To determine the perception of dealer/ retailer of AMUL chocolate.
3. To determine penetration in chocolate market with its competitor Cadbury & Nestle.

Research Methodology

An exhaustive questionnaire was structured to gather as much primary information as possible and hence, the most common form of research, descriptive research was used. A preliminary study in the form of informal interviews with 50 Dealers/ Retailers was conducted. Secondary data collected from various market segments and other players of the market, and randomly collected printed promotional material across the countryside.

Sample

The respondents in the sample consisted of rural and sub-urban area. 50 respondents in Allahabad (Uttar Pradesh) were interviewed. The respondents had certain exposure to the urban lifestyle. The details of the demography of the respondents are depicted in numbers in the form of Tabulation. The sample size was good enough to understand the psychographic characteristics of Dealers/ Retailers in the perspective of verbal and non-verbal communication strategies.

Inferences

The outcome of the study can be analyzed for each of the questions asked in the interviews. Each of the questions covers different aspects of Market Size of AMUL Chocolate. The analysis is as follows.

1) Market Penetration

Name of Company	No. of Shops
AMUL	9
Cadbury	21
Nestle	17
Other	3

The table shows the number of retailers selling different company chocolates. There are only 9 retailers i.e. 18% who deal in Amul chocolates. The percentage is very less compared to Cadbury and Nestle.

2) Brands of AMUL chocolate sold at various Outlets

Name of Chocolate	Unit Sold (per day)
Amul Milk Chocolate	22
Amul Almondbar	69
Amul Fundoo	10
Amul Chocozoo	5
Amul Bindaaz	9
Amul Fruit & Nut Chocolate	53

The table shows that Amul Almond Bar is sold at most of the Amul Chocolate outlet followed by Amul fruit n Nut & Amul Milk Chocolate.

3) Financial Support for Promotion

Opinion	No. of Retailer/ Dealers
Yes	3
No	47

The table shows the financial support for promotion. We can say that according to the retailers the company does not provide any financial support for promotion.

4) Reason for Not Selling AMUL Chocolates

Reasons	No. of Retailer/ Dealers
Distribution & Service problem	6
Low Demand	14
Low Margin	29
Replacement problem	-
No refrigerator	2
Not Interested	1

The table shows the various reasons due to which the retailers do not sell Amul chocolates. we can say that Low Margin and demand are the major reasons followed by Distribution & Service problems cause of which the retailers do not want to sell Amul chocolates

5) Reason for selling other brands chocolates

Reasons	No. of Retailer/ Dealers
Distribution & Service problem	2
High Demand	31
Higher Margin	13
Better Replacement	-
More benefits	4

The table shows the reasons for which the retailers prefer to sell other company chocolates. The major reasons are the More demand of other company chocolates, Good service as well as Higher Margin.

6) Attractive Schemes

Schemes	No. of Retailer/ Dealers
Incentives	5
Free Packs On Bulk Purchase	16
High Profit Margin	24
Lucky Draw	1
Additional Benefits (Like: POP Display, Banners)	4

The table show the Different Schemes for attracting the retailers for selling Amul Chocolates. Mostly the retailers are attracted towards increased Profit Margin followed by Free Pack on bulk purchase.

7) Ways for creating awareness

Options	No. of Retailer/ Dealers
Television	35
News Paper	7
Radio	1
Banners	4
Gift coupons	3

The table shows the different effective mediums for creating awareness about the Amul chocolates. According to all of the retailers, the most effective medium is TV and Newspaper advertisement.

Conclusion

As we know that Amul is very big organization and market leader in dairy products. It has maximum market share in Milk, Butter and Cheese, which are its main/core products. As we know Amul is a co-operative organization but chocolate industry is a profitable industry we cant ignore it. With the help of research, company can find out its weak points in chocolate product and can increase its market share through rectify mistakes. People have believed in Amul's product and they will accept its chocolates also if effective actions were taken. The survey resulted into following conclusions

1. Amul must come up with new promotional activities such that people become aware about Amul Chocolates like Chocozoo, Bindaaz, and Fundoo.
2. Quality is the dominating aspect which influences consumer to purchase Amul product, but prompt availability of other chocolate brands and aggressive promotional activities by others influences the consumer towards them and also leads to increase sales.
3. In comparison to Amul Chocolate, the other players such as Cadbury and Nestle, are provide a better availability and give competition to the hilt.
4. People are mostly satisfied with the overall quality of Amul Chocolate, but for the existence in the local market Amul must use aggressive selling techniques.

Recommendations

The following are Recommendations for the company to improve itself which the study has been shown:-

1. AMUL should focus on the sales promotion as competitors are doing much more to promote & surviving in the chocolate market.
2. Retailers prefer that product, which gives more profit margins so it should increase profit margin for retailers.
3. Incentive schemes for Retailers should be started by AMUL to increase the sale of chocolate, if they loose the confidence of the Retailers, the company can loose the market share.
4. The company Representative should regularly visit to the Retailers to solve their problems, and to tell them about new products and schemes. This would help them to know about the consumer behavior, their taste and preferences.
5. The company should also offer some Gifts and scratch coupon schemes for the Dealer/ Retailers.

Reference

1. www.google.com
2. www.wikipediya.com
3. www.amul.coop
4. www.mpcdf.com
5. www.amul.com
6. http://www.bukisa.com/articles/516491_amul-a-great-story-in-rural-development
7. <http://www.rediff.com/money/2005/sep/23spec.htm>
8. <http://www.amul.com/m/organisation>