



Spill the Milk: The Economic Secrets of Amul's Success!





1949-50

Dr Verghese Kurien's first visits Anand in 1949; joins Amul in 1950

1955

New dairy launched by PM Jawaharlal Nehru paving the way for the Kaira Union to launch the brand Amul



1956

Production of ghee, butter and packaged milk begins



1962

Cheese launched in the market



1964

Lal Bahadur Shastri, the then Prime Minister of India, inaugurates Amul's Cattle Feed Plant in



White Revolution

1973

Gujarat Cooperative Milk Marketing Federation formed

1973

Amul launches its own brand of chocolates

1982

RS Sodhi joins Amul; Kurien takes Sodhi under his wing

1996

Amul launches ice cream

2001

The first Utterly Delicious parlour (Garden Parlour) opens in Ahmedabad



2006

Amul branches into coffee with Kool Café

2007

Sugar Free/Probiotic ice cream launched

2007

The federation becomes a billion dollar cooperative

2010

RS Sodhi takes charge as managing director of GCMMF

AT A GLANCE

1948 2023

Farmers

432

3.64 million

Village co-operatives

2

18,600

Milk production/day

5,000 litres

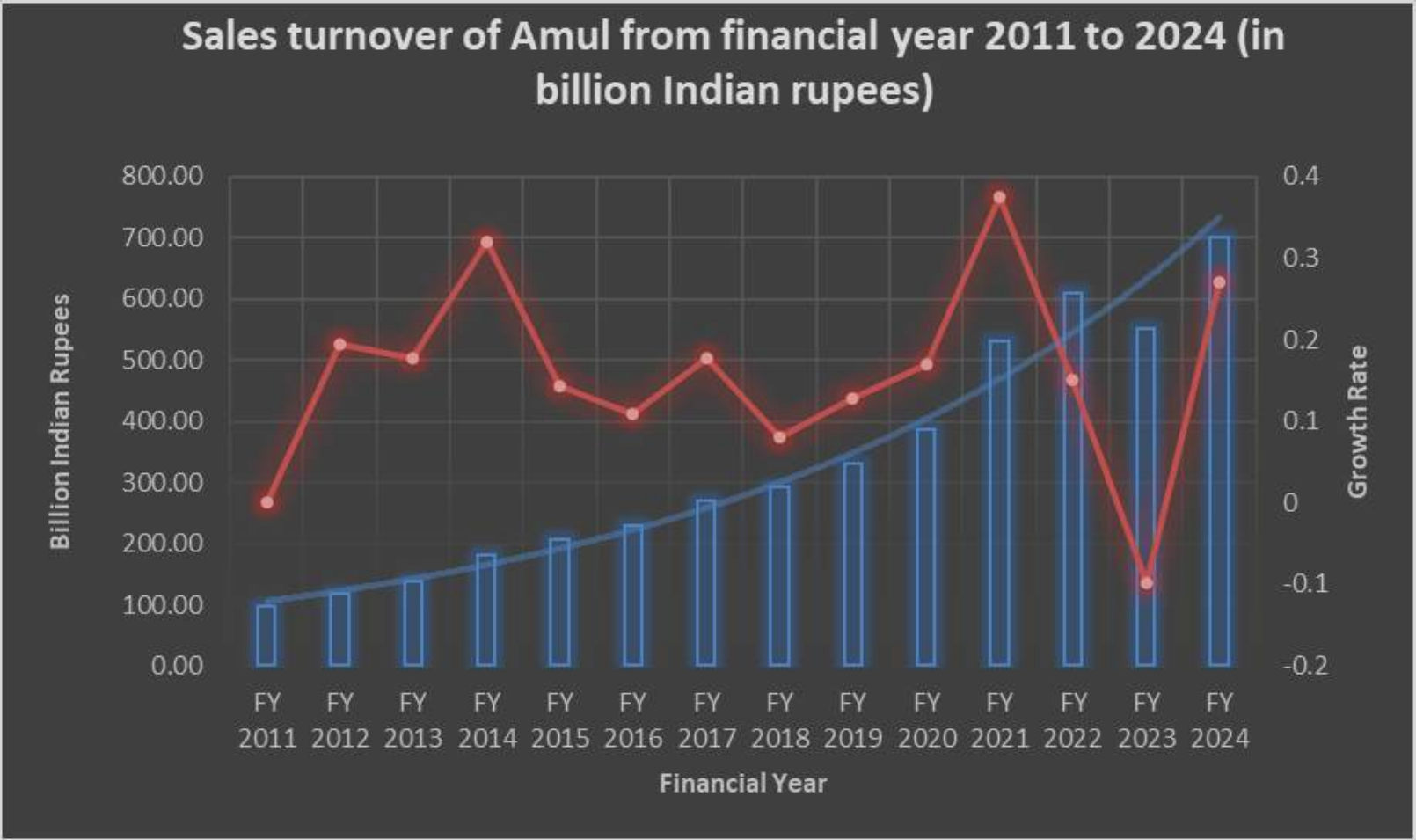
25.9 million litres

FROM MILK TO MONEY

Understanding
Amul's Revenue
Model

GCMMF - An Overview	
Year of Establishment	1973
Members	18 District Cooperative Milk Producers' Unions
No. of Producer Members	3.64 Million
No. of Village Societies	18,600
Total Milk handling capacity per day	41 Million Litres per day
Milk collection (Daily Average 2022-23)	25.9 Million Litres per day
Cattlefeed manufacturing Capacity	10,000 MTs per day
Sales Turnover -(2021-22)	Rs. 55,070 Crores (US \$ 7.2 Billion)

<https://amul.com/m/about-us>





THE COOPERATIVE MODEL

- Structure: Three-tier system (village societies, district unions, state federation)
- Benefits: Bypasses intermediaries, maximizes farmer returns
- Consumer-Producer Surplus: Aligns farmer and consumer interests through competitive pricing

MOO-NOPOLY OR COMPETITION?

Analyzing Amul's
Market Position!

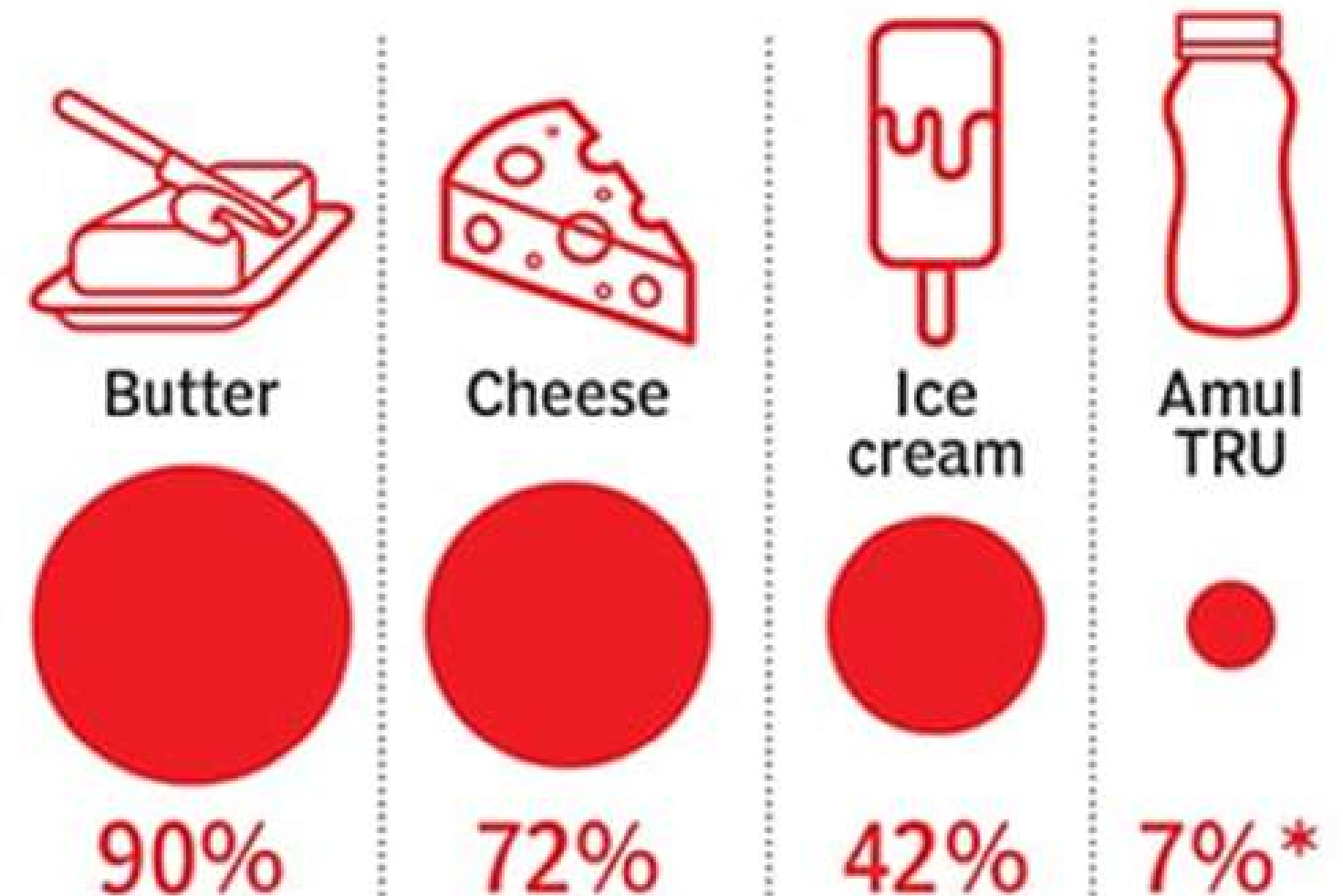


MOO-NOPOLY OR COMPETITION?

- Unique Advantage: Competes as both a regional monopoly and in monopolistic competition
- Market Share:
 - Milk: 75%
 - Butter: 85%
 - Cheese: 66%
 - Infant Milk: 63%
 - Dairy Whiteners: 45%

Market Share

(% of Amul's key categories)



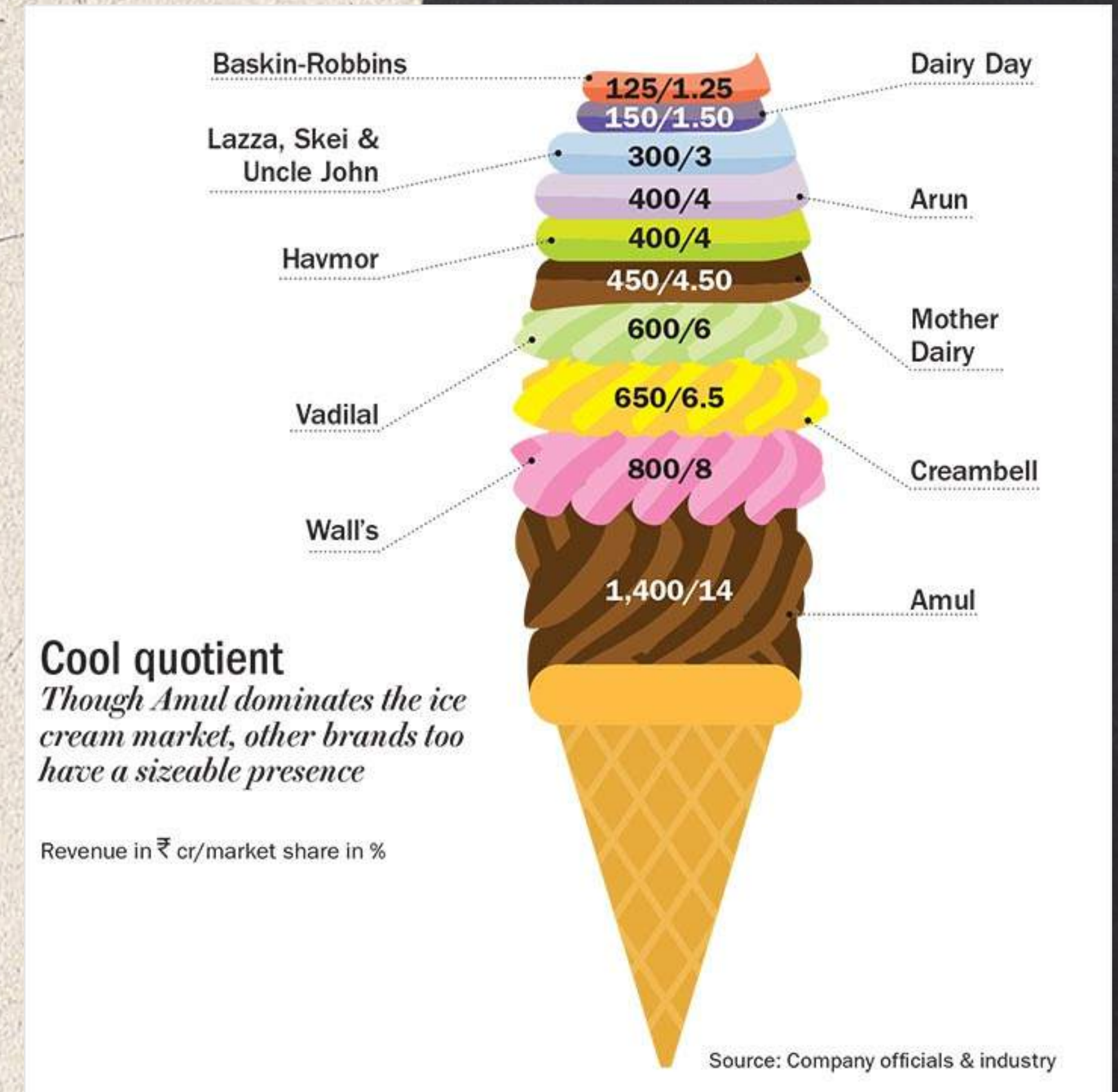
In addition, Amul has a near monopoly in milk

*Share of dairy beverage market within three months of launch

SOURCE Amul

OLIGOPOLY IN THE ICE-CREAM SEGMENT

- Amul operates in an oligopolistic environment in segments like ice cream, facing competition from a few dominant brands.
- Key Competitors: Mother Dairy, Nestlé, and regional players.
- High Barriers to Entry: Amul's established distribution logistics and scale make it difficult for new players to enter.



THE ULTIMATE DAIRY COLLECTION: AMUL'S VARIETY

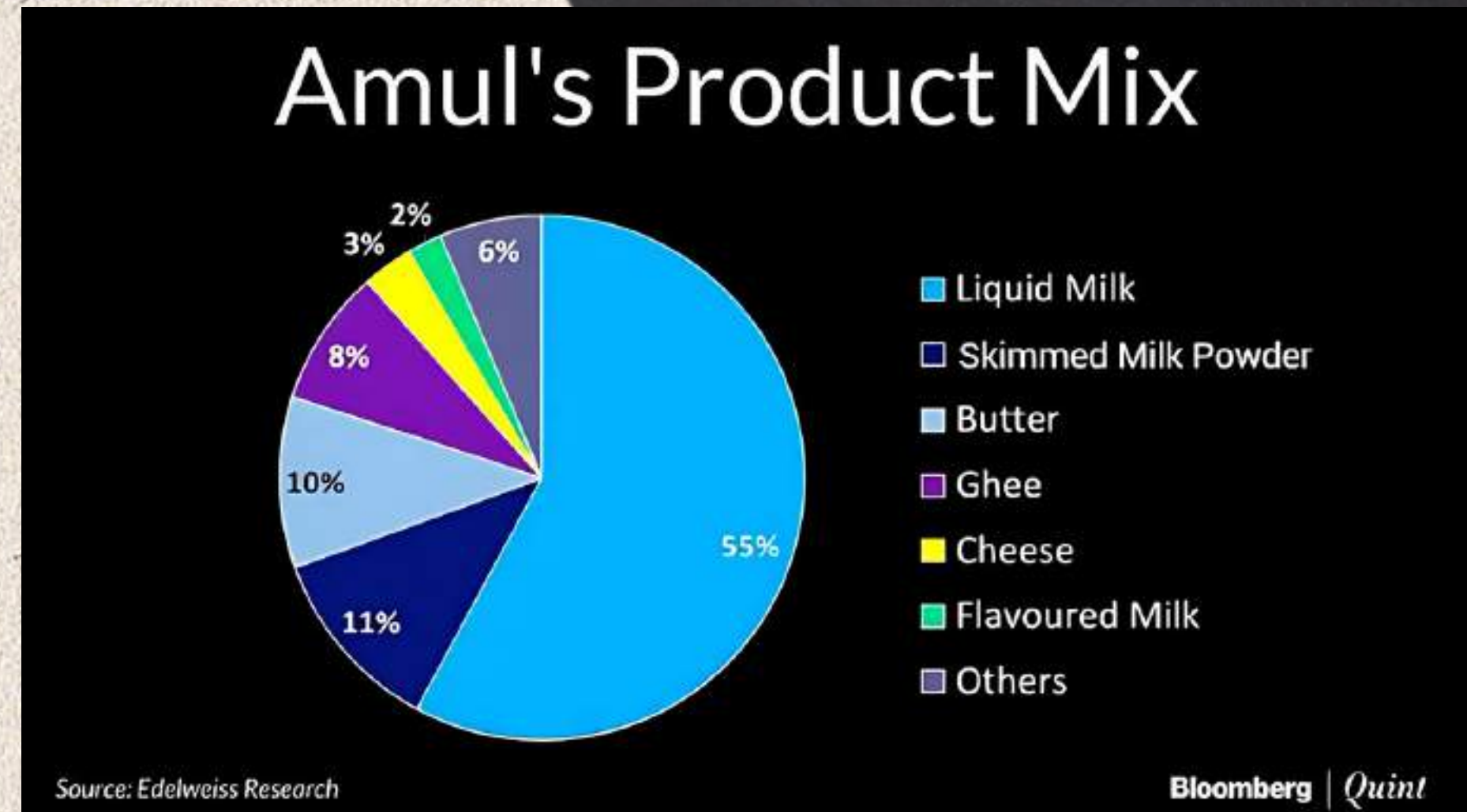


POTENTIAL TO DISRUPT



PRODUCT DIVERSIFICATION

- Health-Focused Products
 - Probiotics: Chaas and choco bars
- Expanding Product Range
 - Sweets, flavored milk, frozen foods, millet-based items
- Economies of Scope
 - Shared resources reduce costs across product lines



MOO-NEY MATTERS: AMUL'S SMART PRICING FOR EVERY POCKET



MOO-NEY MATTERS: AMUL'S SMART PRICING FOR EVERY POCKET

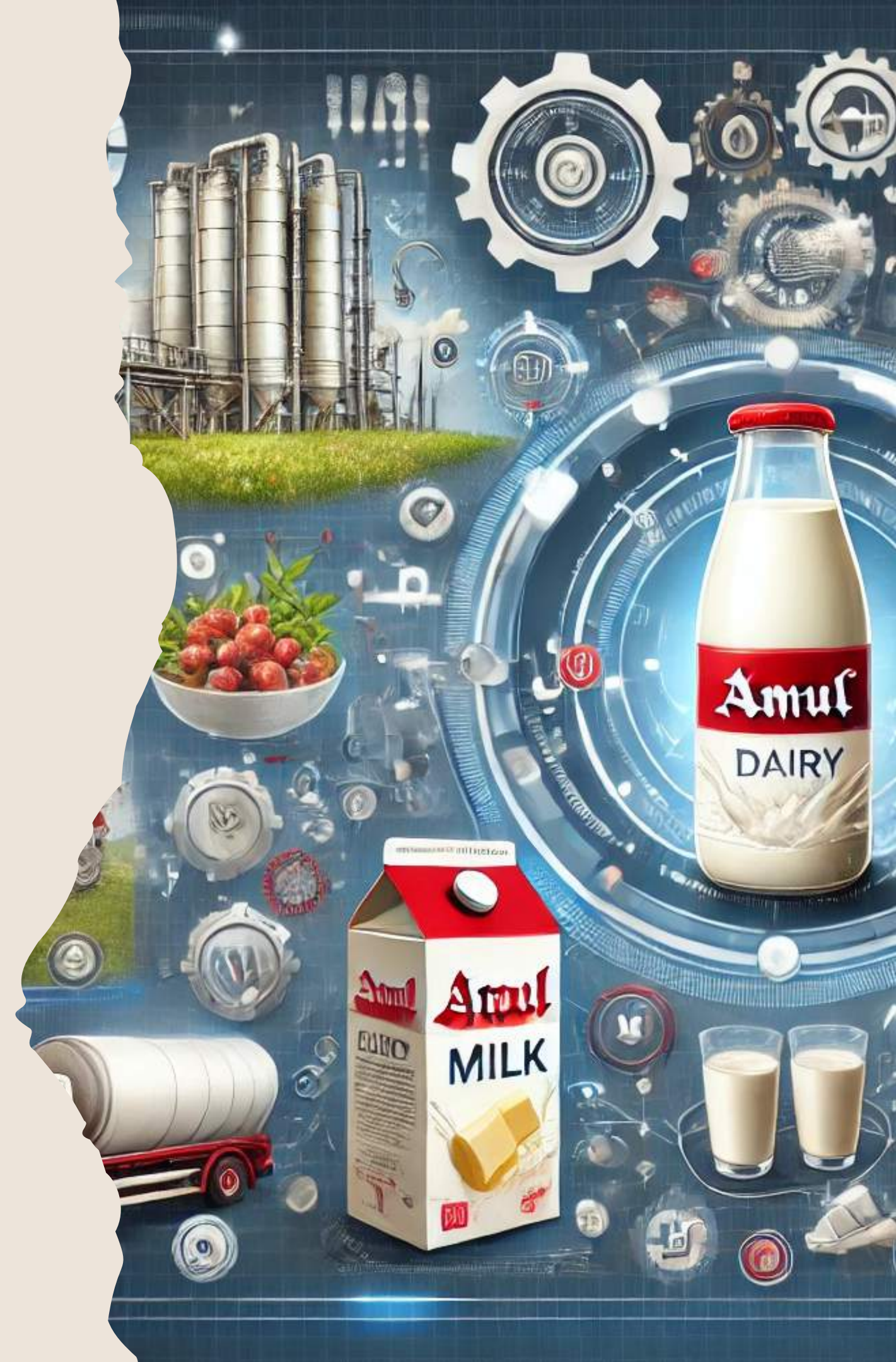
- Price Discrimination
 - Targeted Pricing: Premium products for higher-income consumers; affordable options for the mass market.
 - Revenue Maximization: Pricing tailored to different consumer groups maximizes overall revenue.
- Segmented Product Offerings
 - Price Elasticity



TECH-TASTIC DAIRY: AMUL'S USE OF INNOVATION IN MANUFACTURING

Technological Innovation


- Milking Machines: Increased efficiency and hygiene in dairy farms
- AI-Powered Supply Chain: IBM's AI systems for real-time monitoring and optimization



AMUL'S MARKETING MAGIC



**SIX THOKEGA BHI,
SIX ROKEGA BHI!**



Amul
CATCH IT AT BREAKFAST

Amul is a registered trademark of Amul Milk Processing Co. Ltd. All rights reserved.

KAUNSA EURO TEAM CUPZA KAREGA?



Amul
GET YOUR KICKS

Amul is a registered trademark of Amul Milk Processing Co. Ltd. All rights reserved.

**Ex-Prez ab
Nex-Prez!**



Amul
Put Us on bread

Amul is a registered trademark of Amul Milk Processing Co. Ltd. All rights reserved.



Recommendations

- E-commerce Partnerships: Collaborate with Amazon, Flipkart, Zepto, Blinkit and BigBasket
- Product Expansion: Introduce new flavors and product lines
- Community Engagement: Foster regional relationships for stronger consumer connections

introducing Am



