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###### Course work:

"A Comparative Study: Cadbury's International Operations in the Nigeria and Indian Markets, Strategies for Overcoming Market and Competitor Challenges”.

###### MKT 744-Global Marketing and Sales Development

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###### Abstract

The global market for chocolate and snacks is vast and Mondelez International, the parent company of Cadbury, stands out as a significant player renowned for its expertise in beverages and confections. This study delves into the examination of Mondelez's marketing strategies in India and Nigeria, two countries with distinct and dynamic marketing landscapes. By analyzing the 4Ps—Product, Price, Place, and Promotion—the study seeks to uncover the nuanced approaches taken by the company to effectively compete and thrive in these diverse markets. In Nigeria, the study finds Cadbury Bournvita in a fierce rivalry with Nestle Milo, showcasing the intense competition within the beverage segment. On the other hand, in India, Dairy Milk emerges as a dominant force in the confectionery industry, boasting a commanding 66% market share over local competitors. Despite these differing market dynamics, both Cadbury Bournvita and Dairy Milk have adeptly adapted their marketing mix strategies to align with consumer preferences and market demands. This adaptability has enabled them to not only compete effectively but also to establish and maintain their positions as leading brands in their respective segments. Through this comparative analysis, the study sheds light on the importance of strategic marketing decisions tailored to the specific contexts of diverse markets. It highlights how Cadbury, under Mondelez International, has leveraged its marketing prowess to navigate the complexities of the Indian and Nigerian markets, showcasing a blend of innovation, adaptation, and market insight in its quest for sustained market leadership.

###### 1.0. Introduction

The contemporary global economy is marked by increasing openness, a convergence of consumer preferences, and the pervasive reach of the internet, all contributing to the intricate web of interdependence among national economies. In this landscape, multinational corporations are acutely aware of the imperative to cultivate the skills, competencies, and insights necessary to compete effectively on the international stage. These organizations are attuned to the diverse external and internal forces that shape the landscape of international business, recognizing the need for strategic approaches at every level of operation.

A key driver for multinational enterprises in venturing into new territories is the strategic pursuit of either expanding sales revenue and profit margins or fulfilling a specific demand within a target market. This strategic calculus propels them towards new horizons, often characterized by diverse cultural, economic, and regulatory landscapes.

This research seeks to delve into Cadbury's strategic initiatives in expanding its footprint in the international markets of Nigeria and India. As a leading player in the confectionery industry, Cadbury's endeavors reflect a concerted effort to diversify its product offerings and capture an increased market share. Through a nuanced examination of Cadbury's approach, this study aims to unravel the strategies, challenges, and successes that underpin its international expansion efforts. By shedding light on Cadbury's experiences in these diverse markets, valuable insights can be gleaned into the intricacies of international business development, offering a roadmap for organizations seeking to navigate the complexities of global market expansion.

###### 2.0. Overview of Cadbury

Cadbury Worldwide, headquartered in the UK, holds a significant position as the second-largest candy and beverage manufacturer globally, following Mars. Originally established in 1969 as "Cadbury Schweppes Plc" through the merger of its global confectionery and beverage businesses, the company retained this name until its de-merger in May 2008. Presently, Cadbury Plc operates the candy division, while the beverage division falls under the umbrella of Dr Pepper Snapple Group.

The company boasts a wide-reaching presence, with its products available in over 200 countries. This expanding global footprint is facilitated by an extensive network of both direct and indirect suppliers within the packaged food and beverage industry, numbering in the tens of thousands. Cadbury ensures a tailored approach in each market it operates in, offering a diverse range of products and services to meet local consumer preferences.

In the context of this study, the UK, Nigeria, and India emerge as key markets for Cadbury, especially considering the robust chocolate market valued at over US$5.6 billion in these regions. These markets are arenas of intense competition, with Cadbury vying for market share against formidable rivals.

A significant development in Cadbury's history was its acquisition by Kraft Foods Inc on February 2, 2010, for a substantial £11.7 billion. This marked a pivotal moment for the company, ushering in a new phase under the ownership of Kraft Foods Inc.



###### 2.1. Competitive Strategy

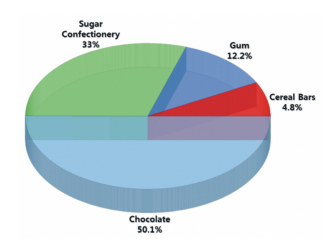
Cadbury's product portfolio spans across the chocolate, sugar, and gum markets, offering a diverse array of confectionery delights. Among its notable offerings are Cadbury's Chocolates, available in a myriad of flavors such as the classic Dairy Milk, the indulgent Apricot Crumble, and the wholesome Cranberry & Granola, as outlined in the Cadbury annual report of 2021.

In a strategic move to bolster its presence in the chocolate confectionery market and increase its share of the snacking sector, Cadbury implemented a comprehensive marketing strategy. This strategy encompassed various facets including the development of high-quality products, the formulation of an astute marketing plan, strategic pricing considerations, efficient distribution channels, and impactful advertising campaigns. By focusing on these elements, Cadbury aimed to solidify its capabilities and position itself among the top contenders in the industry, as highlighted by Euromonitor in 2013.

The global confectionery market landscape is largely dominated by three major players, collectively commanding 39.6% of the market share, leaving the remaining 60.4% to be distributed among smaller businesses (Jeong, 2012). At the helm of this industry are Mars, Kraft Foods, and Nestle, each contributing significantly to the market. Mars leads the pack with a substantial 16.6% market share, followed closely by Kraft Foods with 14%, and Nestle with 9% (Data Monitor, 2011).

Figures from the market illustrate the stronghold of Europe and the United States, which collectively account for a significant 79.2% of the global confectionery market. This data underscores the importance of these regions as key battlegrounds for confectionery giants like Cadbury, emphasizing the strategic significance of their operations and marketing initiatives in these lucrative markets.

**Global Confectionery Market segmentation**



###### Fig. 2.1.1. Source: Data Monitor,2011

**Global Confectionery Market Ratios**

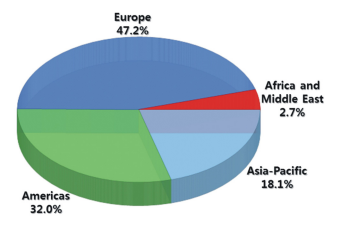


Fig.2.1.2. Ssource: Data Monitor, 2011

###### Global confectionery market share

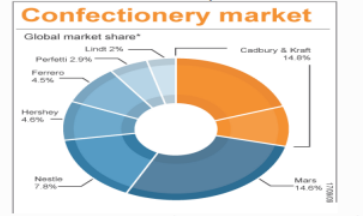


Fig.2.1.3. Source: credit Suisse equity research,2018.

###### 3.0. Marketing Environment

International marketing presents unique challenges compared to domestic marketing, largely due to the intricate and multifaceted nature of international markets, as noted by Kenyon, Lowe, and Doole (2016).

In the case of Nigeria, assessments of the business environment consistently highlight significant issues. The country is divided along religious lines, with Muslims predominantly residing in the northern regions and Christians in the south. This religious divide often intersects with political beliefs, leading to tensions and violence worsened by groups like Boko Haram. The activities of such terrorist organizations have fuelled hatred and conflict between communities with differing political and religious affiliations, resulting in widespread unrest and internal displacement of thousands of people. Nigeria grapples with pervasive corruption and staggering poverty rates, with a considerable part of the population living below the poverty line. The combination of weak democratic institutions and entrenched corruption has further complicated the situation, contributing to a cycle of violence and hardship for many Nigerians (Operational Environment Assessment, 2012).

On the other hand, India faces its own challenges related to violence and terrorism, stemming from its complex political landscape. The country's political parties are often delineated along geographical, ethnic, and religious lines, creating a fragmented political backdrop. This disjointed political scenario, coupled with disparities in opportunities and income, has been a significant catalyst for religious and ethnic violence. Most incidents of religious violence in India are rooted in conflicts between the Muslim and Hindu communities. Notably, the 2002 riots in Gujarat resulted in the displacement of thousands of individuals and the destruction of businesses, homes, and critical infrastructure, highlighting the far-reaching consequences of such conflicts (Fitch Solutions, 2017). These complex socio-political factors significantly affect the business environment and marketing strategies in both Nigeria and India, illustrating the intricate nature of international markets.

**Marketing Environment Framework**

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###### Fig 3.0. Marketing Environment Model. Source: Lecture slide

###### 3.1. Macro-environment factors

###### The PESTEL theory, a widely used framework in marketing analysis, examines how various external factors in the business environment impact multinational enterprises, as highlighted by sources such as "Professional Academy" (2018) and "Oxford College" (2016). This framework provides a structured approach to understanding the external forces that can influence a company's operations and strategies.

###### In the context of analysing the Nigerian and Indian markets, the PESTEL framework offers valuable insights. It considers political, economic, social, technological, environmental, and legal factors that can shape the business landscape. Each of these factors plays a crucial role in deciding the opportunities and challenges faced by multinational companies running in these regions.

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###### Fig 3.1 PESTEL Analysis Model

###### Analysing the Environmental factors of both countries using PESTEL Model:

|  |  |
| --- | --- |
| **NIGERIA MACRO-ENVIRONMENT** | **INDIA MACRO-ENVIRONMENT** |
| **Political** | **Political** |
| l Poor regional development in Africa and Sub Sahara region | l Poor regional development in the South Asia region |
| l Week Democratic system | l Strong Democratic system ((Hill, J. 2018) |
| l Political instability | l Strong Political stability |
| l Strong tie relationships with European Union and UK government | l Strong tie and relationship with European Union and UK government |
| l Corruption in government cycle is high | * Low tariff and non-tariff barrier |
| l Insecurity across the country is high. High tariff system. | * Insecurity is relatively high. |
| Ssusceptible to military coups due to political crisis |  |
| **Economy** | **Economy** |
| l Low GDP per capital.GDP per capita is projected to decline (Worldbank,2021) | l Strong GDP growth of 7.3% (Fitch Solutions, 2017). |
| l Robust Investment incentives for new investment and international business-like tax holiday and custom duty | l Robust Investment incentives for new investment and international business-like tax holiday and custom duty |
| l Week Monetary and fiscal policy |  |
| l Low Foreign direct investment. High corruption rate (ranked 150/180.Transparency inter.,2022) | l High FDI inflow of $12.75 billion in 2018(IBEF 2018) |
| l Relatively high cost of energy. High exchange rate. N500 to $1 | l High energy cost |
| l High Unemployment rate (35%), low purchasing power, high inflation rate | l Relatively low inflation rate, high purchasing power and relative high unemployment rate due to its population figure |
|  |  |
| **Social-cultural** | **Social-cultural** |
| l Nigeria has a very strong culture and Lifestyle | l India has a strong culture and belief system |
| l Week democratic system | l Strong Democratic culture. The economy is prone to Ethnic & religious crisis (Fitch Solutions, 2017) |
| l Week culture to rules and regulation maintenance and implementation | l Has a strong culture to rules and regulation |
| l High level educational system and citizenship awareness | l Have a high-level education and citizenship awareness |
|  |  |
| Technology | Technology |
| l Robust technology investment policies of government | l Robust technology investment driven economy (Motohashi 2015). |
| l Strong adaptation to new technologies | l Strong adaptation to new technologies |
|  |  |
| l Organizations strongly support the R&D activities by govt. | l Organizations strongly support the R& D activities by govt in technology |
| l Strong patent law | Indian has a strong patent law |
|  |  |
| **Environment** | **Environment** |
| l Week transportation system | l Advance transportation system |
| l Poor traffic safety rules and regulation | l Poor traffic safety rules and regulation |
| l Week public health | l Week public health |
| l High rate of urbanization | l High rate of urbanization |
| l Poor disaster management system | l Poor disaster management system |
| l High inflation. Low purchasing power and high employment rate of 35% according to statistics |  |
|  |  |
| **Legal** | **Legal** |
| l Strong competition policy | l Weak competition policy |
| l Week Judicial and legal system | l Week Judicial and legal system (Morgan Stanley 2008) |
| l Week policy on consumer right protection | l Robust policy on consumer right protection |
| l Belong to international treaties and trade associations | l Belong to international treaties and trade associations |

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###### 3.2. Micro-environment

A SWOT analysis is employed to assess aspects of business in terms of the strengths, weaknesses, opportunities, and threats (Jackson et al., 2003; Kim, 2005). SWOT recognizes the important internal and external aspects of attaining a business’s goals. The internal aspects refer to the features that are within the control of the business, whereas the external aspects are factors out of the businesses’ control (Bull et al., 2016; David et al., 2017)

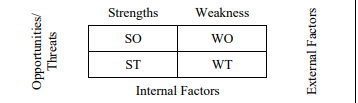


Figure 3.2. SWOT matrix and five changes. Lecture slide.

**3.2.1 Micro-environment Cadbury Nigeria**

**SWOT Analysis for Cadbury Nigeria**

**Strengths**:

1.Strong Brand Recognition: Cadbury is a well-established and recognized brand in Nigeria, known for its high-quality chocolates and confectionery products.

2. Wide Product Portfolio: Cadbury offers a diverse range of products in Nigeria, including chocolates, candies, gums, and beverages, catering to various consumer preferences.

3. Market Leadership: The company holds a significant market share in the Nigerian chocolate and confectionery market, giving it a competitive edge.

4. Effective Marketing and Advertising: Cadbury has a history of successful marketing campaigns in Nigeria that have helped in building brand loyalty among consumers.

5. Local Production: Cadbury Nigeria has local manufacturing facilities, allowing for better adaptation to local tastes and preferences.

**Weaknesses:**

1. Quality Control Challenges: Ensuring consistent product quality across manufacturing facilities in Nigeria can be a challenge.

2. Distribution Challenges: Nigeria's vast geography and sometimes inadequate infrastructure can pose challenges for efficient distribution of Cadbury products.

3. Competition: Facing competition from both international brands and local Nigerian brands offering comparable products at varying price points.

4. Price Sensitivity: The Nigerian market can be price-sensitive, making it challenging to support premium pricing for Cadbury products.

Opportunities:

1. Growing Middle Class: Nigeria's expanding middle class presents an opportunity for Cadbury to tap into a larger consumer base with disposable income for indulgent products.

2. Health and Wellness Trends: Cadbury can capitalize on the increasing trend towards health-conscious consumption by introducing products with reduced sugar content or natural ingredients.

3. Product Innovation: Developing new flavours or variations of existing products tailored to Nigerian tastes can attract more consumers.

4. Expansion into New Markets: Cadbury can explore opportunities to expand its reach into untapped regions within Nigeria or neighbouring countries.

**Threats:**

1. Competition from Local Brands: Local Nigerian brands offering similar confectionery products at lower prices can erode Cadbury's market share.

2. Import Regulations: Changes in import regulations or tariffs can affect the cost and availability of raw materials for Cadbury's local production.

3. Economic Instability: Fluctuations in the Nigerian economy, such as inflation rates or currency devaluation, can affect consumer buying power.

4. Counterfeit Products: The presence of counterfeit Cadbury products in the market can undermine brand reputation and consumer trust.

This SWOT analysis provides insights into Cadbury Nigeria's current position in the market, highlighting its internal strengths and weaknesses, as well as external opportunities and threats it faces in the Nigerian confectionery market.

**1. SWOT Analysis of consumers (Cadbury Nigeria)**

In Nigeria, Cadbury holds a prominent position among chocolate producers, offering a diverse range of high-quality products. However, it faces fierce competition from Nestle, particularly in the segment of nutritional beverages. A study by George (2012) draws parallels between Cadbury's Bournvita and Nestle's Milo, highlighting the similarities that buyers perceive between these two brands. This underscores the importance of Cadbury's name and reputation in the purchasing decisions of consumers across various demographics.

Consumer loyalty and purchase intent for Cadbury products are significantly influenced by the company's interaction style, as noted by Jaramillo & Valenzuela (2016). This emphasizes the need for Cadbury Nigeria to keep a strong brand image through engaging customer experiences and effective communication strategies.

Nigerian consumers show sensitivity to changes in pricing, discounts, and promotional offerings. Therefore, Cadbury must remain vigilant in monitoring market dynamics, especially with Nestle as a formidable competitor. Conducting thorough market research becomes crucial for Cadbury to understand shifting consumer preferences, emerging trends, and competitive strategies.

By using market insights and giving findings effectively, Cadbury Nigeria can adapt its marketing campaigns, product innovations, and pricing strategies to stay competitive in the dynamic Nigerian market. This initiative-taking approach will not only help in keeping existing customers but also in attracting new ones, solidifying Cadbury's position as a preferred choice among chocolate and confectionery brands in Nigeria.

###### 2. SWOT Analysis of Competitors (Cadbury Nigeria)

###### Cadbury keeps a significant customer base across Africa, offering a diverse range of products tailored to specific market preferences. In the Nigerian market, Cadbury's Bournvita brand competes fiercely with Nestle's Milo, with both companies employing remarkably similar marketing strategies and offering product substitutes.

###### Historically, Cadbury has enjoyed a dominant position in the Nigerian confectionery market. However, recent data from the company's annual report for the 2021 fiscal year, as shown in Appendix A and C, reveals that Nestle outperformed Cadbury in terms of sales revenue and net earnings. This shift shows a changing landscape in the market dynamics and highlights the intensified competition Cadbury faces from Nestle, particularly in the beverage segment.

###### According to findings from George, K.O.'s (2012) report, both Cadbury and Nestle exhibit similar performance across various research metrics. Neither company or product can claim a high market share or be considered a share leader in the Nigerian beverage market. This parity underscores the need for Cadbury to continuously innovate, refine its marketing strategies, and closely check consumer trends to keep its competitive edge.

###### Despite the formidable competition, Cadbury's established presence and brand loyalty provide a solid foundation for strategic growth. By using its strong customer base and focusing on product differentiation, targeted marketing, and responsive pricing strategies, Cadbury can strengthen its position in the Nigerian market and regain momentum in the face of stiff competition from Nestle and other emerging players. This adaptability will be crucial for Cadbury to retain its market share and sustain growth in the dynamic and evolving Nigerian beverage industry.

###### 3.2.2 Micro-environment Cadbury India

**SWOT Analysis for Cadbury India**

**Strengths:**

1. Strong Brand Recognition: Cadbury is a well-established and recognized brand in India, known for its high-quality chocolates and confectionery products.

2. Wide Product Portfolio: Cadbury offers a diverse range of products, including chocolates, candies, gums, and beverages, catering to various consumer preferences.

3. Market Leadership: It holds a significant market share in the Indian chocolate and confectionery market, giving it a competitive edge.

4. Effective Marketing and Advertising: Cadbury has a history of successful marketing campaigns that have helped in building brand loyalty among consumers.

5. Distribution Network: The company has a widespread distribution network across India, ensuring its products' availability in urban as well as rural areas.

**Weaknesses:**

1. Dependence on Imports: Cadbury India relies on imports for raw materials like cocoa, which can expose it to fluctuations in international prices and supply chain disruptions.

2. Product Pricing: The premium pricing of Cadbury products may limit its market penetration, especially in price-sensitive segments.

3. Competition: Facing competition from both international brands like Nestle and Ferrero Rocher, as well as local brands offering comparable products at lower prices.

4. Product Controversies: Past incidents of product contamination and quality issues have led to temporary setbacks and dented consumer trust.

**Opportunities:**

1. Growing Demand for Premium Chocolates: With increasing disposable incomes and evolving consumer preferences, there is a rising demand for premium chocolates in India.

2. Expansion into Health-Conscious Market: Cadbury can capitalize on the trend towards healthier snacking options by introducing products with reduced sugar, organic ingredients, or functional benefits.

3. Digital Marketing and E-commerce: Using online platforms for sales and marketing can help reach a wider audience, especially the younger tech-savvy demographic.

4. Rural Market Penetration: There is a significant untapped market in rural India, where Cadbury can expand its distribution and marketing efforts.

**Threats:**

1. Competition from Local Brands: Local brands offering related products at lower prices pose a threat to Cadbury's market share.

2. Changing Consumer Preferences: Shifts in consumer preferences towards healthier alternatives or several types of indulgences could affect sales of traditional chocolates.

3. Regulatory Changes: Changes in taxation policies or food safety regulations could affect manufacturing costs and operations.

4. Economic Volatility: Fluctuations in the economy, such as inflation rates or changes in consumer spending patterns, can affect the purchasing power of consumers.

This SWOT analysis provides a snapshot of Cadbury India's current position in the market, highlighting its internal strengths and weaknesses, as well as external opportunities and threats it faces.

###### 1. SWOT Analysis of Consumers (Cadbury India)

###### Cadbury's Dairy Milk holds a distinguished position in the Indian chocolate market, renowned for its unique manufacturing techniques and recipes that set it apart from competitors. A recent study highlights the critical role of pricing for Indian consumers, particularly when considering products such as Dairy Milk chocolate. This underscores the importance for Cadbury to consistently check market prices, ensuring that their offerings remain accessible to consumers across different economic strata.

###### Moreover, the Indian market has shown a notable receptiveness to price adjustments. This suggests that Cadbury can capitalize on this trend by strategically implementing price cuts or promotional offers to attract more consumers.

###### Considering the cultural landscape of India, several studies show that religious attitudes significantly influence food choices among the populace. It is imperative for Cadbury to integrate this understanding into their product promotion and packaging strategies. This includes developing communication materials that resonate well with the diverse religious and cultural beliefs prevalent in the country. By doing so, Cadbury can enhance consumer engagement and strengthen brand loyalty, aligning their marketing efforts with the sensitivities and preferences of the Indian market.

###### 2. SWOT Analysis of Competitors (Cadbury India)

###### In India, Cadbury stands out as the undisputed leader in the chocolate industry, boasting an impressive market share of 66% (Verma, 2019). This dominant position not only reflects the brand's widespread popularity but also underscores its deep-rooted connection with the Indian consumer palate. Within the realm of cocoa-based products specifically, Cadbury commands a substantial 35% market share, with its iconic Dairy Milk alone holding a remarkable 30% of this segment (Verma, 2019).

###### This level of market penetration is a testament to Cadbury's successful strategies in product innovation, marketing, and distribution. The brand has effectively catered to diverse tastes and preferences, ensuring its chocolates are a staple across households, festive celebrations, and gifting occasions throughout the country.

###### Despite the formidable market presence, Cadbury faced a significant challenge when a controversy erupted just ahead of one of India's most celebrated festivals, Diwali. The discovery of worms in Cadbury chocolate bars sent shockwaves through consumers, leading to an immediate decline in sales during the crucial festive season. Reports showed a large drop of nearly 30% in sales within the first 10 weeks following the revelation (Vaid, 2006).

###### This crisis posed a grave threat to Cadbury's reputation, consumer trust, and market standing. However, the company responded with swift and decisive action. Over the ensuing six months, Cadbury implemented a meticulously crafted strategy aimed at rebuilding trust and assuring consumers of product safety. This included transparent communication about quality control measures, rigorous testing protocols, and investments in enhancing manufacturing standards.

###### The company's efforts did not go unnoticed. Through initiative-taking engagement with consumers, stakeholders, and the media, Cadbury gradually regained lost ground. Consumers appreciated the brand's commitment to transparency and quality assurance, factors that had been integral to Cadbury's legacy.

###### Ultimately, Cadbury's ability to weather this crisis and emerge stronger underscored its resilience and adaptability. The incident served as a valuable lesson in crisis management, prompting the brand to further fortify its quality control processes and consumer communication strategies. Today, Cadbury continues to stand tall as a beacon of trust, indulgence, and joy for millions of chocolate lovers across India, its market dominance a reflection of both its enduring legacy and its unwavering commitment to excellence.

###### 4.1 Market entry Strategy (Cadbury Nigeria)

###### Cadbury Nigeria has a rich history dating back to the 1950s when it was set up with the primary goal of supplying cocoa and exploring market opportunities. Recognizing the potential for growth in the local market, Cadbury made a significant Greenfield investment in Nigeria in January 1965. This investment marked a pivotal moment for the company, as it solidified its presence in a market ripe with promise.

###### The company's trajectory reached new heights when Cadbury Schweppes plc bought a 50.2% stake in Cadbury Nigeria on March 18, 2006, becoming the majority shareholder. This acquisition further bolstered Cadbury's foothold in the Nigerian market, allowing for expanded operations and a strengthened position within the African market.

###### Despite the majority ownership by Cadbury Schweppes plc, Cadbury Nigeria keeps a diverse ownership structure, with a wide array of Nigerian individuals and organizations holding the remaining 49.8% stake. This local ownership not only reflects Cadbury Nigeria's commitment to the Nigerian market but also underscores its integration within the local business ecosystem.

###### Today, Cadbury Nigeria stands as a vital player in the African market for Cadbury Worldwide. Its strategic investments, local partnerships, and commitment to quality have solidified its reputation as a leading confectionery and beverage company in Nigeria and beyond. The company's journey from its humble beginnings to its current stature highlights its enduring presence and significance within the African market, contributing to Cadbury's global success story.

###### 4.2 Market entry strategy of Cadbury India

###### In 1948, Cadbury India embarked on a journey to meet the local demand for chocolates in southern India, where cocoa production was not possible at the time. Leveraging its strong financial standing, the company made substantial investments in advertising and distribution channels to effectively reach its target market and customers. This strategic approach proved successful, laying the foundation for Cadbury India's growth and prominence in the Indian market.

###### A significant milestone for Cadbury India came in 1960 when it spearheaded cocoa farming initiatives in collaboration with the World Bank and Kerala Agricultural University. This marked a pivotal moment for the company, as it ventured into cocoa cultivation, further solidifying its commitment to the Indian market and its supply chain sustainability.

###### Over the years, Cadbury India has become a dominant force in the Indian chocolate market, controlling an impressive 66% market share. The company's operations extend across the country, with cocoa processing factories strategically found nationwide. This widespread presence and efficient manufacturing capabilities have enabled Cadbury India to meet the evolving demands of Indian consumers while keeping a competitive edge in the market (Verma, 2019).

###### In a significant development, Cadbury India underwent a rebranding transformation in April 2014, becoming Mondelez India Foods Limited. This change followed the acquisition of Kraft Foods, a major milestone that highlighted Mondelez International's commitment to the Indian market. The acquisition, valued at $19.6 billion, signified Mondelez's strategic vision for growth and expansion, further solidifying its position as a key player in the Indian confectionery industry.

###### Through its rich history of innovation, strategic investments, and a deep understanding of local preferences, Cadbury India, now Mondelez India Foods Limited, continues to be a leading name in the Indian chocolate market. Its journey from importing chocolates to pioneering cocoa farming reflects a story of resilience, adaptability, and success in meeting the sweet cravings of millions of Indian consumers.

###### 5.0. segmentation, targeting and positioning (Cadbury Nigeria)

###### Customers' wide range of preferences causes market heterogeneity. Targeting specific demographic groups based on age, income, education level, culture, lifestyle, and location is essential for successful marketing, as Lacobucci, D. (2013) stated. Cadbury Nigeria runs a massive advertising campaign for its various products, targeting Nigerians of all ages and socioeconomic backgrounds. To reach that demographic, marketing efforts have focused on framing the company's flagship product, Bournvita as the "family choice."

###### Cadbury Nigeria conducts market research, analyses products offered by competitors, and evaluates internal strengths and weaknesses to maintain an up-to-date marketing strategy. The company has divided its customers into subsets according to their demographics, purchasing habits, and where they live to better target them with promotional tools and other marketing strategies that play on their emotions. They determine which market categories are best for their products based on how well their value proposition matches the segments.

###### During a product's positioning, there is a need to consider pricing, relationships with distributors, and the ability to reach consumers through advertising and other marketing mix elements (Romaniuk, 2001). For instance, the "family choice" advertisement slogan for Bournvita Chocolate is an excellent example of segmentation, positioning, and targeting a specific demographic: families.

**5.2. Segmentation, targeting and positioning (Cadbury India)**

###### Market segmentation, as defined by Camilleri (2017), is a strategy that involves dividing a market into smaller, more manageable segments to enable a company to focus its efforts more effectively. By targeting specific subsets of customers, a company can tailor its products, services, and marketing strategies to better meet the needs and preferences of each segment, thereby enhancing its competitive position in the market.

###### In the context of India, the feeling of chocolate as a delicacy primarily enjoyed by the upper class was prevalent. Locals often viewed chocolate as a "foreign food," with traditional 'Mithai' sweets being the preferred choice at social and cultural gatherings. However, with the liberalization of the Indian economy, Cadbury recognized the opportunity to expand its market reach beyond the urban elite.

###### In response to this evolving market landscape, Cadbury made strategic decisions to broaden its focus and appeal to a wider range of consumers, including those in rural areas. The company set up chocolate manufacturing plants in suburban areas, aiming to cover a vast population with its products. This move not only enabled Cadbury to tap into the growing consumer base in rural India but also helped in reshaping the feeling of chocolate as a more accessible and everyday treat for all segments of society.

###### By adopting market segmentation strategies, Cadbury effectively navigated the diverse preferences and consumption patterns in India. The company's efforts to expand its reach beyond the traditional elite consumer base and cater to the wider population exemplify its commitment to innovation and market responsiveness. As a result, Cadbury successfully positioned itself as a household name across India, offering a range of chocolates that resonate with the varied tastes and preferences of Indian consumers. This strategic approach to market segmentation played a pivotal role in Cadbury's growth and success in the dynamic and diverse market landscape of India.

###### Furthermore, Cadbury's marketing strategies in India have been a testament to their focus on broad demographic and socioeconomic coverage. The status of Dairy Milk chocolate, once considered a mere snack, underwent a transformation to become a staple in the lives of many Indians. This evolution reflects Cadbury's keen understanding of the market dynamics and its ability to adapt to changing consumer preferences.

###### The company's marketing campaigns serve as a model of flexibility, showcasing how they leverage evolving conditions to tailor products to specific markets. This strategic approach has enabled Cadbury to maintain its competitiveness in the Indian market, capturing the hearts and taste buds of consumers across various segments.

###### Cadbury's rapid rise to popularity in India can be attributed to its effective brand building efforts. As noted by Romaniuk (2001), positive brand associations are often cultivated through advertising. Cadbury Dairy Milk's marketing campaigns in the 1980s, with slogans such as "The chocolate for the kid in all of us" and "The Real Taste of Life," emphasized the emotional connections associated with the brand. These campaigns portrayed Dairy Milk as not just a chocolate but a symbol of love, joy, and cherished moments.

###### Over the years, Cadbury India continued to innovate and evolve its marketing strategies, staying attuned to the changing needs and preferences of its clientele. The company's ability to adapt and reinvent itself in the Indian market has been crucial to its success. Cadbury swiftly became a beloved alternative to traditional sweets in India, with Dairy Milk emerging as the chocolate that resonated deeply with the Indian palate and lifestyle.

###### In essence, Cadbury's journey in India is a testament to the power of effective marketing, brand building, and adaptability. By connecting with consumers on an emotional level and understanding the cultural nuances of the market, Cadbury carved a niche for itself as a household name and a symbol of indulgence and happiness in the hearts of millions of Indians. Through its iconic Dairy Milk chocolate, Cadbury left an indelible mark on the Indian chocolate industry, paving the way for its enduring success and popularity.

###### 6.0. Marketing mix (4Ps)

The marketing mix strategy employed by Cadbury in reaching out to consumers in its host country, in India and Nigeria, involves a comprehensive approach that considers various elements to create a compelling brand experience.



Fig. 6.0. The 4P’s

###### 6.1. Cadbury Nigeria (4Ps)

###### product

###### Quality, as defined by Beverly et al. (2002), refers to the degree to which a product meets the expectations of its target audience. Cadbury Nigeria has maintained a track record of consistently producing high-quality products since its market introduction. These products include sugar, Bournvita chocolate, bubble gum, Passcall Crème Rollers, 'Halls Take 5, choki, and more. Among these offerings, Cadbury's flagship product, Bournvita, competes vigorously with Nestle Milo in the market.

###### Over time, Bournvita has undergone a series of enhancements in both quality and taste to better align with the preferences of consumers. This ongoing commitment to product improvement reflects Cadbury's dedication to meeting and surpassing consumer expectations. To stay competitive in the market, Cadbury Nigeria must continue to focus on innovation, diversification, and cost reduction (Oliver, 1999).

###### The company places a high priority on producing products that integrate innovations and gathering market intelligence, particularly in the realm of digital technology. This involves the design, development, and testing of new products, as well as the enhancement of existing ones to better suit consumer tastes. Cadbury Nigeria also aims to predict market trends, product performance, material inputs, and other crucial elements to maintain its market relevance and meet evolving consumer demands.

###### Pricing

###### Cadbury Nigeria's pricing strategy is designed to strike a balance between affordability and perceived value. The company considers factors such as local competition, consumer buying power, and product positioning.

###### Bournvita is positioned as a premium nutritional drink, priced accordingly to reflect its quality and health benefits. Cadbury can reach its target markets by charging premium prices for items like Bournvita chocolate (Cravens & Piercy, 2013)

###### TomTom candies are priced at an affordable range, making them accessible to a wide range of consumers, including students and individuals with lower disposable incomes.

###### Cadbury Dairy Milk is positioned as a premium chocolate brand, commanding a higher price due to its superior taste, quality ingredients, and brand reputation.

###### Overall, Cadbury Nigeria's pricing strategy ensures that its products are competitively priced within the market while also reflecting their value proposition to consumers.

###### Promotion

###### Product slogans for Cadbury chocolates in Nigeria vary. The company uses broadcast, online, and print media to promote its products. The company's marketing strategy centres on showcasing chocolate's positive effects on consumers. Cadbury uses social media as part of its marketing strategy. It maintains a presence on major social media platforms. Cadbury runs contests and promotes new products on social media and advertising media. Brand loyalty and consumer participation have increased as a result. Organizations can benefit from using the internet and social media to raise product visibility (Karam and Saydam, 2015). Additionally, Cadbury Nigeria has released ten distinct ad campaigns, each aimed at showcasing the unique aspects and appeal of its chocolates. These campaigns serve as a visual and emotional representation of the brand’s values and offerings, further solidifying its position in the market.

###### Ten different ad campaigns are presented in the video below:

<https://www.youtube.com/watch?v=1JUemUT8kx0>

###### Place

###### Cadbury boasts a substantial distribution system that ensures its products are available at a wide range of stores selling consumer goods in Nigeria. The company appeals to a diverse demographic and enjoys a global reach, with products sold worldwide. Even in remote areas, Cadbury's offerings, including Bournvita chocolate and other products, are readily accessible.

###### In recent times, Cadbury has expanded its distribution channels to include various online retailers. This strategic move has enabled the company to tap into a larger customer base and broaden the distribution of its products across the country. By leveraging online platforms, Cadbury has enhanced convenience for consumers and increased accessibility to its range of offerings.

###### 6.2. Cadbury India (4Ps)

###### Product

###### Cadbury India Limited produces tasty confections like Dairy Milk, Perks, Bytes, and other products.30% of sales come from Cadbury's flagship brand, Dairy Milk, which by daily deals and celebration-themed Cadbury Celebration boxes. Regarding market share, Nestle comes in second with 22%, selling chocolate products that are identical to their own but for the same low prices. While Cadbury India initially standardized its chocolate offerings for the Indian market, the company has since modified some of its products to better suit local tastes (Leong & Wang, 2006). To make the traditionally bitter chocolate flavors of Dairy Milk more approachable for the Indian market, the company added more milk (Beverly et al., 2002). This modification aimed to make the traditionally bitter chocolate flavours of Dairy Milk more enjoyable and approachable for the Indian market.

###### Through these strategic product adjustments and effective promotional campaigns, Cadbury India has set up itself as a leader in the Indian confectionery market. The company's willingness to adapt to local preferences while keeping product quality has been crucial to its success and strong market presence. This approach reflects Cadbury's understanding of the diverse tastes of Indian consumers, ensuring that its offerings resonate with a wide audience and continue to delight chocolate enthusiasts across the country.

###### pricing

###### Cadbury India Limited employs a nuanced pricing strategy within its marketing mix to target specific market segments effectively. Products such as Bournville are priced at a premium level to appeal to a niche market looking for high-quality, luxury chocolates. On the other hand, products like Perks and Five Star are priced relatively lower to cater to a broader market segment, aiming for mass appeal.

###### The company's pricing strategy is informed by numerous factors, including competition, consumer demand, and product packaging. Cadbury carefully assesses the rivalry in the market, understanding where it can command premium prices for its flagship products. Additionally, consumer demand plays a crucial role in deciding the pricing strategy, ensuring that products are priced in a way that resonates with the target market's willingness to pay.

###### Moreover, Cadbury offers alternate options within its product range, considering different dimensions of the market. This approach allows the company to capture different segments of consumers with varying preferences and budgets.

###### Cadbury's flagship products, such as Bournville and Dairy Milk chocolate, are priced at premium levels due to their high quality and superior taste, as noted by Coffie & Darmoe (2016). The company uses the reputation and perceived value of these products to justify their premium pricing.

###### However, Cadbury also stays competitive by strategically focusing on specific markets to undercut rivals. This strategic pricing approach enables the company to keep its premium position in certain segments while also appealing to a wider audience with more accessible pricing for other products.

###### In essence, Cadbury India's pricing strategy is a blend of premium pricing for flagship products and competitive pricing for mass-market appeal. By understanding market dynamics, consumer preferences, and product positioning, Cadbury ensures that its pricing aligns with the perceived value of its offerings while also effectively targeting diverse segments of the market. This strategic approach has contributed to Cadbury's continued success and market leadership in the Indian confectionery industry.

###### Place

###### Plants in Cochin, Thane, Pune, Himachal Pradesh, Gwalior, and Bangalore produce cocoa for Cadbury, India. The massive commercial and promotional achievements of Cadbury India can be attributed to the company's well-established distribution network. To meet the needs of its massive customer base, the company has ensured that its products can be purchased in all regions of the country, both urban and rural. Generally, consumers can buy food and drink at supermarkets and other similar establishments. As online shopping has become more popular, the company's online sales have also increased. As a result of the expanded reach provided by the new distribution channels, the company's sales, revenue, and profits have all increased.

###### Promotion

###### Cadbury's marketing campaigns in India have been highly impactful, leveraging emotional storytelling and cultural insights to resonate with consumers. The company has employed a mix of traditional advertising, digital marketing, social media engagement, and experiential marketing to create a strong brand presence. Cadbury's campaigns often focus on themes of joy, celebration, and togetherness, connecting with the emotional fabric of Indian society. The following advertising video shows the promotion of Cadbury products.

###### The advert below portraying Cadbury as a choice for Diwali gifts.

###### <https://youtu.be/-hcnZV9JFl8>

###### The advert below shows Cadbury penetrating rural areas with its products.

###### <https://youtu.be/_u3xm2zG4_g>

###### The advert below target mainly the college students with Cadbury products.

###### <https://youtu.be/-hcnZV9JFl8>

###### 7.0. Conclusion

###### In both Nigeria and India, businesses face significant challenges stemming from the complex macro environment. Nigeria is undergoing a period marked by insecurity, corruption, high inflation rates, and challenging economic policies, all of which have impacted the financial performance of companies like Cadbury Nigeria in the 2021 fiscal year, as evident in their annual report. This contrasts with Cadbury India's performance, indicating varying impacts of the respective countries' conditions on business operations.

###### A study by Onokala (2012) underscores the fierce competition between Cadbury Nigeria and Nestle Milo for market share. This competition highlights areas where Cadbury can improve, such as enhancing product quality, fostering customer loyalty, diversifying its product offerings, and optimizing packaging strategies. It also emphasizes the need for Cadbury Nigeria to align its premium pricing strategy with the perceived value and quality consumers expect, as noted by Coffie & Darmoe (2016).

###### In India, the chocolate industry's complexity arises from the diverse cultural, religious, and economic landscape. Adapting to local norms and preferences becomes paramount for business success, as highlighted by Leong & Wang (2006). Cadbury India understands the necessity of keeping prices competitive to reach every household in the country. The pricing strategy adopted can significantly impact a product's commercial viability, a crucial consideration for Cadbury India's market penetration, as also noted by Coffie & Darmoe (2016).

###### Despite these challenges, Cadbury India has solidified its position as the undisputed market leader in the confectionery industry, capturing the largest share of chocolate consumers through a strategic adaptation approach and emotionally resonant advertising campaigns. This strategy has enabled Cadbury India to not only navigate the complexities of the Indian market but also to establish a strong brand presence that resonates with diverse consumer segments. Continued focus on adaptation, pricing strategies, product quality, and consumer engagement remains crucial for Cadbury's sustained success in both Nigeria and India's dynamic business environments.

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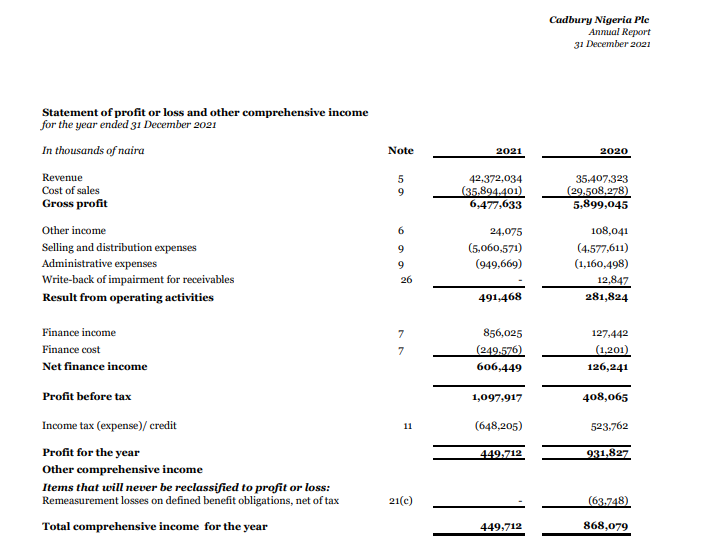
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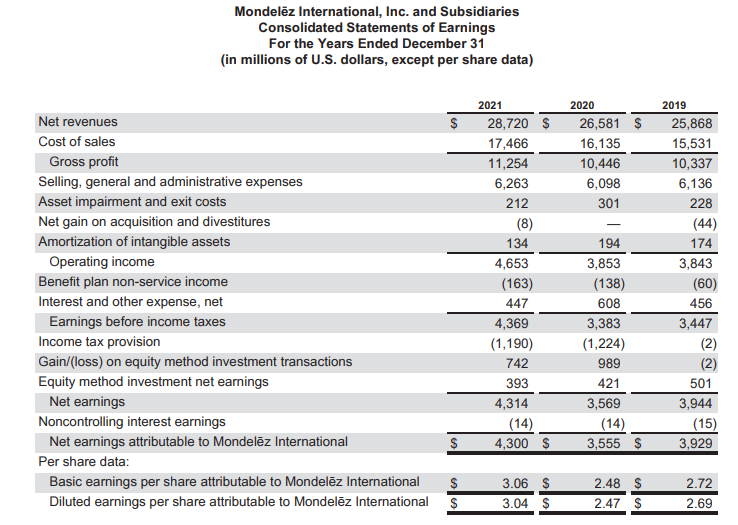
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**9.0 Appendix**

Appendix A



Appendix B



Appendix C

