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**RESEARCH PAPER "MARKETING: MOTHER DAIRY"****Priyanshu Shukla<sup>\*1</sup>, Archana Rana<sup>\*2</sup>, Adnan Ali<sup>\*3</sup>, Gaurav Sen<sup>\*4</sup>**<sup>\*1,2,3,4</sup>PGDM In Marketing, Universal Business School, Karjat, Raigad, India.DOI : <https://www.doi.org/10.56726/IRJMETS47993>

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**ABSTRACT**

Every firm must have a marketing strategy, but the dairy industry is particularly competitive. One of the top dairy businesses in India, Mother Dairy is renowned for the superiority of its dairy goods. This study's research topic, "Marketing: Mother Dairy," attempts to examine the marketing tactics used by the business and comprehend the elements that contributed to its success. An outline of the Indian dairy industry's difficulties and prospects will be presented in the study's opening section. The history and development of Mother Dairy will then be examined, along with the company's productline and the elements that have contributed to its great brand recognition in the marketplace. The study will also analyze the many components of Mother Dairy's marketing mix, such as the company's product, price, distribution, and promotion strategies. It will assess how the business has priced its goods to maintain market competition and positioned its offerings to meet consumers' shifting demands and preferences.

Additionally, Mother Dairy's marketing initiatives, including its branding and advertising plans, will be looked at in the study. It will assess how successfully the business's communication methods—including social media, print marketing, and television commercials- reach out to its target market. In addition, Mother Dairy's distribution network will be examined, along with the company's logistics administration and distribution channels. It will assess the effectiveness of the business' supply chain and how it has helped Mother Dairy keep its products fresh and of high quality.

The study will also examine Mother Dairy's marketing activities' many difficulties, such as growing competition, legal problems, and shifting consumer preferences. The study's conclusions will help other dairy companies create successful marketing plans for long-term success by giving them useful insights into Mother Dairy's marketing methods. Additionally, it will assist decision-makers in better understanding the sector's difficulties and developing policies that promote sector growth and development.

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**I. INTRODUCTION**

With a consistent increase in the supply of milk and milk derivatives, India has been the world's top producer and consumer of dairy products since 1998. The rural Indian economy is mostly based on the dairy industry, which also provides a significant amount of work and revenue. The world's largest herd of cattle is located in India. Comparatively to the other major dairy producers, the milk production per cow is noticeably lower. Most of the dairy products supplied in India are fluid milk, and almost all of them are consumed domestically. Because of this, there is an enormous opportunity for value addition and overall growth in the Indian dairy business. The dairy industry in India not only provides lucrative financial prospects, but it also promotes socioeconomic growth. The Indian government has launched several programmes and initiatives aimed at growing the dairy industry in the nation. For instance, the "National Dairy Programme (Phase-I)" aims to raise milk production and boost cattle productivity while strengthening and expanding the infrastructure for rural milk procurement and giving farmers better market access. The private sector's involvement in the Indian dairy industry, on the other hand, has grown during the past several years. The size and potential of the Indian market have attracted both domestic and foreign businesses to the dairy sector. The main focus is value-added goods like cheese, yogurt, probiotic drinks, etc. Additionally, they are launching novel items with an eye toward the demands of Indian consumers. Additionally, these firms are enhancing their milk procurement network, aiding the expansion of the dairy sector in India.

**1.1 HISTORICAL BACKGROUND AND GROWTH OF THE INDUSTRY**

In the 1950s and 1960s, India faced a milk shortage, prompting the establishment of the National Dairy Development Board (NDDB) in 1965. Dr. Verghese Kurien led the Operation Flood program, introducing Anand Pattern cooperatives. Operation Flood, implemented in phases, saw a significant increase in milk production

and a self-sustaining network of village cooperatives by 1985. The initiative, facilitated by the National Milk Grid, transformed India's milk industry, making it self-reliant and eliminating the need for imported milk solids. Milk output increased from 21.2 MT in 1968-69 to 209.96 MT by 2020-21, with daily consumption rising from 107 grams in 1970 to 427 grams in 2020-21.

Mother Dairy was established in 1974 as a fully owned subsidiary of the National Dairy Development Board (NDDB) as part of 'Operation Flood'. It was a project within Operation Flood, a programme for dairy development with the goal of making India a milk-sufficient country. A sizable portion of Mother Dairy's liquid milk needs are supplied by village-level farmer-centric organisations and dairy cooperatives. With 1500 milk booths and 300 safal shops on the market, it was first concentrated on Delhi and other areas of the National Capital Region (NCR). Later on, it spread to other parts of India. Currently, 400 Safal stores sell milk and milk products.

India has the largest dairy sector in the world, where 23% of the world's milk is produced. The sector supports more than 8 crore farmers directly and makes nearly 5% of the country's GDP. The dairy sector in India has expanded tremendously over the last ten years thanks to several government initiatives. Between 2014-15 and 2020-21, the country's milk output increased at a CAGR of 6.2%, from 146.31 million tonnes (MT) to 209.96 MT. Uttar Pradesh, Maharashtra, Himachal Pradesh, Madhya Pradesh, Punjab, Rajasthan, and Tamil Nadu are the states that produce the majority of India's dairy products. The dairy business in India has traditionally seen fierce competition. Some of the key participants in the Indian dairy market include Amul, Mother Dairy, Orissa State Cooperative Milk Producers Federation, Dudhsagar Dairy, Aavin, and Kwality Limited.

## 1.2 CONCEPTUAL FRAMEWORK

The Mother Dairy brand and market segmentation will be touched upon and covered in this study. We have also mentioned Mother Dairy's various products as well as how the business has segmented its consumer base according to product type and distribution method.

## 1.3 PARAMETERS OF STUDY

We are concentrating on Mother Dairy's market segmentation in this analysis. We are only able to cover the area around Pune. Additionally, we shall discuss the various mother dairy products and market segmentation according to several factors

## 1.4 SIGNIFICANCE OF STUDY

Through this study, we have learned more about the Mother Dairy brand, its products, and the company's market segmentation, or how it has broken up its clientele into various groups.

## 1.5 THE RATIONALE FOR CHOOSING THE TOPIC

In addition to being the world's largest consumer of dairy products, India is also the world's largest producer of dairy goods. We especially chose Mother Dairy because it is one of India's top producers of dairy products and has a market share of greater than 50% in various areas of the nation. We decided to research Mother Dairy's market segmentation because of the company's vast consumer base. The topic gave us even more information because there was such a wide range of material to cover.

## 1.6 LIMITATIONS OF THE STUDY

Secondary data form the foundation of most analyses. Secondary data are those that have previously been gathered and processed statistically by another party. Therefore, its legitimacy and validity cannot be determined with precision.

## II. LITERATURE REVIEW

Kolhal, M. T. (2022). Indian dairy industry: Problems and solution - The study focuses on three main objectives: understanding the development of the dairy industry, analyzing existing problems, and proposing solutions. The dairy sector, a source of livelihood for small farmers and laborers, plays a crucial role in addressing farmer poverty and income inequality. Dr. Kolhal's study provides a thorough analysis of the Indian dairy industry, shedding light on its development, challenges, and potential solutions. The findings underscore the importance of a holistic and collaborative approach involving farmers, policymakers, and industry stakeholders to overcome existing hurdles and foster sustainable growth in the dairy sector.

Sanjay Shukla (2015) - This brief overview of the literature examines the dairy industry's competitive environment in India with a particular emphasis on Mother Dairy Limited and Amul. With a focus on customer preferences and variables influencing product choices, the evaluation highlights the goals for a comparative analysis, highlighting the major competitors in the largest milk-producing nation in the world. Structured questionnaires are employed in the research to gather data, which offers valuable insights into the dynamics of the market. The analysis emphasizes the necessity of more investigation to find new trends in the dairy industry in India.

UKEssays (2018) Case Study: Mother Dairy Milk - The case study on Mother Dairy highlights its evolution, strategies, and challenges in the dynamic dairy industry. With a focus on strategy, structure, and performance, the study aims to answer key questions regarding Mother Dairy's operations. This case study guided us and provided a comprehensive background on Indian dairy products, major players, and the historical context of Mother Dairy. It touches upon the company's quality certifications, its role in Operation Flood, and its subsequent diversification into fruit and vegetable processing under the SAFAL brand.

The study published in the International Journal of Advances in Engineering and Management (IJAEM) provides an in-depth analysis of Mother Dairy's market presence and strategies. Focusing on the company's flagship products – milk and ice cream, the research underscores Mother Dairy's dominance in Delhi and its ambitious plans for pan-India expansion. Additionally, it delves into the growing popularity of flavored milk in India, highlighting the emotional and indulgent reasons behind consumer preferences. The literature review emphasizes Mother Dairy's competitive pricing and efficient distribution network, showcasing its position as a major player in the evolving dairy industry.

Pradyumna Bisht, Jitender Pal Singh, Amardeep Bhaskar, Ms. Vaishali Joshi (2021) - The study published in the International Journal of Advances in Engineering and Management (IJAEM) provides an in-depth analysis of Mother Dairy's market presence and strategies. Focusing on the company's flagship products – milk and ice cream, the research underscores Mother Dairy's dominance in Delhi and its ambitious plans for pan-India expansion. Additionally, it delves into the growing popularity of flavored milk in India, highlighting the emotional and indulgent reasons behind consumer preferences. The literature review emphasizes Mother Dairy's competitive pricing and efficient distribution network, showcasing its position as a major player in the evolving dairy industry.

Prof. Paresh Patel, Ujjwal Sharma, Debjyoti Saha (2022) - The study on Brand Preference of Dairy Products investigates corporate strategies' impact on customer choices. Using convenience sampling and surveys, the research reveals that flavor and promotions heavily influence product selection. Emphasizing the role of dairy products in India's development, the study suggests firms can design effective marketing strategies by understanding consumer preferences. The objectives include studying brand preferences for processed liquid milk in a concise review.

### III. COMPANY PROFILE

Mother dairy is a subsidiary brand of a national dairy company. Operation Flood's initiative led to its establishment in the year 1974. In the year 1974, it was founded. Noida, Uttar Pradesh, India is where the company's headquarters are located. One of the National Dairy Development Board's subsidiaries owns it. It was a project within Operation Flood, the largest dairy development programme in the world, which was started to make India a milk-sufficient country. It was started to make India a milk-sufficient nation. It has been making a fantastic effort over the years to accomplish this goal and it has worked towards it.

#### Marketing Mix Strategy of Mother Dairy

The many marketing strategies that the business employs to promote its brand are known as the marketing mix. There are four components to it: the price, place, promotion, and product mix.

##### 1. Product strategy:

In India's market, Mother Dairy offers a large selection of items that fall under the category of milk-based products and other food items. It has three subsidiary brands: Dairy, Dhara, and Safal. The majority of the dairy goods in Mother Dairy's product line are produced by the company. Milk, milk products, and ice creams are all examples of dairy products.

Different products of mother dairy are Milk, Ghee, Cheese, Butter, Probiotic drinks, Cream, Ice-cream etc.

**2. Price/Pricing Strategy:**

In the beginning, Mother Dairy used a penetration pricing strategy to raise awareness among a large audience and encourage consumers to purchase their goods. As inflation changes, so do milk prices. Its pricing structure also varies geographically from one location to another. The mother dairy ice cream charges reasonable costs for its standard ice cream flavors and premium prices for the unique varieties that it offer.

**3. Placement & Distribution Strategy:**

Every region of the nation is supplied by the mother dairy. A vital component of the milk industry is having a suitable distribution network and making its products widely accessible to its clients. It has more than 1,400 retail locations and more than 1,000 unique stores spread across various locations to serve this sizable market. It simply deals with the quantity needed according to the region because it works with perishable goods that have a short shelf life. Farmers and cooperatives supply it, cutting out middlemen and contributing to cost savings.

**4. Promotion & Advertising Strategy:**

Mother dairy employed a variety of marketing techniques. It advertises its products in a variety of ways, including social media, radio, television, and newspapers. Mother Dairy has developed a strategy in which it uses better communication techniques to gain the consumer's mind share in the face of fierce competition like Amul.

**Market Segmentation of Mother Dairy**

By separating the market into segments, customers with comparable tastes and preferences are categorized. Following are the several categories of market segmentation:

**Geographic segmentation**

Based on geographic borders, various client groups are created through geographic segmentation. Understanding how potential customers' demands and interests change depending on their geographic location, climate, and area enables you to choose where to market and advertise a brand as well as where to build a firm.

**Demographic segmentation**

Demographic segmentation is breaking down the market based on several criteria, including age, gender, nationality, level of education, size of the family, occupation, income, etc. Since it is based on understanding how customers use your products and services and how much they are ready to pay for them, this is one of the most popular methods of market segmentation.

**Psychographic segmentation**

Using psychographic segmentation, the target market is divided into groups according to their behavior, way of life, attitudes, and interests. Focus groups, surveys, interviews, and case studies are examples of market research techniques that can be used to understand the target population.

**Behavioural segmentation**

The goal of behavioral segmentation is to target particular responses, i.e., patterns in consumer behavior and how consumers make decisions and make purchases. Behavioral segmentation includes things like how people feel about your brand, how they use it, and how conscious they are of it. This kind of data is gathered in a manner akin to that of psychographic data. This enables marketers to create a more specialized strategy.

**Importance of Market Segmentation**

Market segmentation helps companies focus on specific client segments rather than the whole public, which makes planning campaigns easier. Marketers may use time, money, and other resources more effectively by segmenting their customers. Market segmentation enables businesses to understand their clientele. They are able to customize ads to the client groups, most likely to make purchases because they have a better grasp of the needs and wants of their customers.

**A) Greater Company Focus**

When a company divides particular market segments, it will be easier for them to concentrate on the segments they wish to target when offering particular goods and services. An organization can make a substantial amount of profit from producing the most desired product if people favor it more than competing goods.

**B) Betterment in serving customer's needs and wants**

An organization can satisfy client wants by making various offers when it has identified segments. (such as buy one get one offer). Depending on the demands and acceptance of each sector, different promotional actions might be implemented.

**C) Product Designing**

Market segmentation will assist the company in gathering consumer expectations and demands so that new products can be developed to meet those needs. It will increase public acceptance of the group.

**D) Market Expansion**

Geographic market segmentation makes quick work of quickly expanding the market. A corporation can quickly expand to another location once it is aware of its market segments and marketing responsibilities in that area. If segmentation is based on demographic factors, the business can increase sales of that particular product depending on those categories once it has identified them.

**E) Efficient Use of Resources**

With the help of a market segmentation tool, the company can identify market trends and employ manpower and financial resources for marketing in more lucrative s

#### IV. METHODOLOGY

The idea is founded on a plan for a survey. The primary goal of a survey is to gather relevant information that can be used to support conclusions and produce results. To further understand the market segmentation of mother dairy, a questionnaire was distributed. Pune residents chosen at random made up the sample for this questionnaire.

In addition to this questionnaire, secondary sources were used to gather additional data. Secondary data are those that have previously been gathered and subjected to statistical analysis by another party. The secondary information needed for the study was gathered through:

- Company Websites
- Internet

**OBJECTIVE OF THE STUDY**

The technique of market segmentation divides the target market into smaller groups based on shared features like age, income, personality traits, behavior, interests, needs, or location. Because it enables businesses to identify which customers care about them and comprehend their demands well enough to communicate in a way that ensures brand success, market segmentation is a very effective technique. The purpose of the report is to examine the market segmentation of mother dairy using several parameters, including regional, demographic, psychographic, and behavioral segmentation.

#### V. FACT AND OBSERVATION

The research reveals how Mother Dairy has segmented its client base into different groups as well as the company's marketing mix, which includes product, price, place, and promotion.

The following has been noted from the questionnaire responses:

- The age range of 18 to 30 years is represented by the majority of respondents from the general population.
- More than 70% of people regularly purchase dairy products.
- Around 11% of the respondents and about 60% of the respondents each purchase 1-2 liters of dairy products.
- Mother Dairy is a name that all responders are familiar with.
- Through commercials, more than 50% of the respondents learned about the Mother Dairy brand, while the remaining respondents learned about it from advertisements and other sources.
- According to the respondents, milk, curd, and ice cream are their top three choices.



- Regular supply, safety for consumption, affordable pricing, and reliability/purity are the top reasons respondents choose the Mother Dairy brand.
- More than 50% of people believe that Mother Dairy is superior to other brands because of its high quality.
- According to 80% of the respondents, mother dairy costs are average.

## VI. CONCLUSION

This project dealt with Mother Dairy's market segmentation. Based on comparable likes and inclinations, Mother Dairy has segmented its client base into several groups. Customers who share the same likes and tastes are grouped into the same segment. These segments were developed based on geographic, behavioral, psychographic, demographic, and psychographic characteristics. The creation of highly targeted and successful marketing campaigns and plans is made simpler for marketing teams by market segmentation. Marketers may use time, money, and other resources more effectively by segmenting their customers. Market segmentation enables businesses to understand their clientele. They can customize ads to the client groups most likely to make purchases because they have a better grasp of the needs and wants of their customers. Other advantages include sharper company focus, focused communication, increased market competition, and market expansion. The marketing mix of mother dairy, which consists of product, price, place, and promotion, is also covered in this research. Mother Dairy offers a variety of items, including dairy products, ice cream, fruits, and vegetables. Initially employing a penetration pricing strategy, the corporation now adjusts its rates following inflation. It distributes its goods around the nation and uses a variety of marketing strategies, including social media, print media, and radio.

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