

INTRODUCTION



Amul (Anand Milk Union Limited), formed in 1946, is a dairy cooperative movement in India.

It is a brand name managed by an apex cooperative organisation, Gujarat Co-operative Milk Marketing Federation Ltd. (GCMMF), which today is jointly owned by some 2.6 million milk producers in Gujarat, India.

AMUL is based in Anand, Gujarat and has been a sterling example of a co-operative organization's success in the long term.

It is one of the best examples of co-operative achievement in the developing economy.

Amul has spurred the White Revolution of India, which has made India the largest producer of milk and milk products in the world.

It is also the world's biggest vegetarian cheese brand.

Amul is the largest food brand in India and world's Largest Pouched Milk Brand with an annual turnover of US \$1050 million (2006-07).

Currently Amul has 2.6 million producer members with milk collection average of 10.16 million litres per day.

The brand name Amul means “AMULYA”. This word derived from the Sanskrit word “AMULYA” which means “PRICELESS”. A quality control expert in Anand had suggested the brand name “AMUL”.

Amul products have been in use in millions of homes since 1946. Amul Butter, Amul Milk Powder, Amul Ghee, Amul spray, Amul Cheese, Amul Chocolates, Amul Shrikhand, Amul Ice cream, Nutramul, Amul Milk and Amulya have made Amul a leading food brand in India.

HISTORY.

The *Amul revolution* was started as awareness among the farmers. It grew and matured into a protest movement that was channeled towards economic prosperity.

The Kaira District Co-operative Milk Producers' Union Limited (KDCMPUL) began pasteurizing milk for the Bombay Milk Scheme in June 1948.

By the end of 1948, more than 400 farmers joined in more Village Society, and the quantity of milk handled by one Union increased from 250 to 5,000 liters a day.

Meanwhile, Dr. Verghese Kurien, fed up being at the government creamery in Anand, Gujarat, which held no challenge, volunteered to help Shri Tribhovandas Patel, the Chairman of KDCMPUL, in setting up a processing plant. This marked the birth of AMUL in 1946.

The success of Amul was instrumental in launching the White Revolution that resulted in increased milk production in India. It is officially termed as Operation Flood by Amul. The breakthrough technology of spray-drying and processing buffalo milk, developed by Mr. H.M. Dalaya, was one of the key factors that contributed to the Revolution.

Over six decades ago the life of a farmer in Kaira was very much like that of farmers anywhere else in India. His income was derived almost entirely from seasonal crops. Many poor farmers faced starvation during off-seasons. Their income from milch buffaloes was undependable. The milk marketing system was controlled by contractors and middlemen. As milk is perishable, farmers were compelled to sell their milk for whatever they were offered. Often they had to sell cream and ghee at a throwaway price.



They were in general illiterate. But they could see that the system under which contractors could buy their produce at a low price and arrange to sell it at huge profits was just not fair. This became more noticeable when the Government of Bombay started the Bombay Milk Scheme in 1945.

Milk had to be transported 427 kilometers, from Anand to Bombay.



After preliminary trials, the Government of Bombay entered into an agreement with Polsons Limited to supply milk from Anand to Bombay on a regular basis. The arrangement was highly satisfactory to all concerned except the farmers.

The Government found it profitable; Polsons kept a good margin. Milk contractors took the biggest cut. No one had taken the trouble to fix the price of milk to be paid to the producers. Thus under the Bombay Milk Scheme the farmers of Kaira District were no better off ever before. They were still at the mercy of milk contractors. They had to sell their milk at a price the contractors fixed. The discontent of the farmers grew. They went in deputation to Sardar Patel, who had advocated farmers' co-operatives as early as 1942.

Sardar Patel reiterated his advice that they should market their milk through a co-operative society of their own. This co-operative should have its own pasteurization plant. His advice was that the farmers should demand permission to set up such a co-operative. If their demand was rejected, they should refuse to sell their milk to middlemen.

The trio's (T. K. Patel, Kurien and Dalaya's) success at the cooperative's dairy soon spread to Anand's neighbourhood in Gujarat. Within a short span, five unions in other districts – Mehsana, Banaskantha, Baroda, Sabarkantha and Surat – were set up. To combine forces and expand the market while saving on advertising and avoid competing against each other, the GCMMF, an apex marketing body of these district cooperatives, was set up in 1973. The Kaira Union, which had the brand name Amul with it since 1955, transferred it to GCMMF.

In 1999, it was awarded the "Best of all" [Rajiv Gandhi National Quality Award](#).

In June 2013, it was reported that the Kaira District Cooperative Milk Producers Union Limited, better known as Amul Dairy, had signed a tripartite agreement to start a dairy plant in Waterloo village in upstate New York. The plant will initially manufacture paneer and ghee. Amul will use an existing dairy plant owned by New Jersey-based NRI Piyush Patel for manufacturing. The plant is strategically located, as it close to supply centres from where raw material is procured, and is near New Jersey, which has a large Indian population.

DR. VERGHESE. KURIEN, FATHER OF WHITE REVOLUTION



Dr. V. Kurien was Born on 26 November 1921 & died on 9 September 2012. He was Also known “MILKMAN OF INDIA”. Dr. Kurien, was the architect of India's White Revolution, which helped India emerge as the largest milk producer in the world. Founder Chairman of the National Dairy Development Board (NDDB) from 1965 to 1998, the Gujarat Co-operative Milk Marketing Federation Ltd. (GCMMF), from 1973 to 2006 and the Institute of Rural Management (IRMA) from 1979 to 2006, his professional life has been dedicated to empowering the Indian farmers through co-operatives. Dr. Kurien has helped to lay the foundation of democratic enterprises at the grass roots. He believed that by placing technology and professional management in the hands of the farmers, the standard of living of the people in the rural areas at the most all the backward People. .

The cooperative movement, he helped to create became a model not only for India, but for developing countries throughout the world. The Operation Flood Programme, of which Milk Producers' Cooperatives were the central plank, emerged as India's largest rural employment programme and unleashed the larger dimension of dairy development. Dr. Kurien was the undisputed 'Milkman' of India. Born on November 26, 1921 at Kozhikode, Kerala, he graduated in Science from the Loyola College in 1940 and obtained his degree in Engineering from the Guindy College of Engineering in Chennai. After a stint at TISCO, Jamshedpur, he obtained the Govt. of India's scholarship to study Dairy Engineering. After some specialized training at the Imperial Institute of Animal Husbandry & Dairying, Bangalore, he left for the United States where he completed his Masters degree in Mechanical Engineering with Dairy Engineering as a minor subject from the Michigan State University in 1948.

The first Dairy Co-operative Union in Gujarat was formed in 1946 with 2 Village Dairy Co-operative societies as its members. The number of member societies has now increased to 16,100, with 3.2 million members pouring milk every day- twice a day. Today, the Billion Dollar GCMMF has emerged as the India's largest integrated dairy products manufacturing and marketing organization.

NDDDB, formed by the efforts of Dr. Kurien ensured replication of Amul Model across India. Thereby, it played an instrumental role in increasing the milk production of India significantly. India's milk procurement has increased from 20 million metric tonnes per year in the 60s to 122 million metric tonnes in 2011.

His work has received tremendous national and international recognition. The Govt. of India conferred on him the "Padma Vibhushan", the second highest honour in the land next only to Bharat Ratna. He is also the recipient of the World Food Prize, the Ramon Magsaysay award for Community Leadership, the Carnegie - Wateler World Peace Prize and the International Person of the Year award from the U.S.

Dr. Kurien's main contribution has been in designing of systems and institutions, which enable people to develop themselves, as he believed the development of man can best be achieved by putting in his hands the instruments of development. He believed that the greatest assets of this country, were its people and he dedicated his life to the task of harnessing the power of the people in a manner which promoted their larger interests.

How DrKurien's business wisdom built the Amul brand

The success of Amul is no accident. It was DrKurien's understanding of how brands work, of the importance of building brands, of the focus on quality, value for money and customer centricity as a bedrock of all that Amul did, which has made Amul the Best that it is. Consider these pearls of wisdom from DrKurien culled from speeches that he made as chairman of the Gujarat Co-operative Milk Marketing Federation over the years. "For the Consumer, Amul simply means 'Value For Money' and Quality as it should be. Our brand name touches an emotional chord with her: Amul means a range of superior products, consumed by every age group, and a favourite in every part of our diverse land. Amul makes each bite that much more special because in our humble way, we care for feelings that are truly "Indian"."

Amul was founded on a sound business model: providing quality products to consumers at an affordable price. The Pundits have described our model as "value for money" and it has been adopted by a number of companies. While imitation may be flattery, most other organisations fail to understand that "value for money" is not just about low prices – it means offering the best quality products at the most reasonable price". Marketing professionals from any company would give an arm and a leg to be able to make a statement like this. How many brands, worldwide, can claim that their brand 'touches an emotional chord' with the consumer? How many companies have products that are 'consumed by every age group'? DrKurien's vision, and his deep understanding of how brands operate, can be further understood from this statement: "I have always been a firm believer of the dictum that 'Brand is power'. A cooperative without a "brand" can never aspire to survive — let alone thrive — while marketing commodities in today's competitive environment. Only by nurturing its marketing skills and building solid brands can cooperatives make their own growing space in the market. And we must never forget that quality and value are the foundation for successful brands." In one line, Kurien encapsulates all that brand gurus have tried, over the years, to say in books, lectures and speeches: "Never forget that quality and value are the foundation for successful brands". It is this belief that results in the happy situation where consumers are unable to remember a bad experience with a single brand from the Amul stable. It is the promise of Amul's products that lift them from being mere products in a category and raise them to the level of brands. How different can Amul's core products, milk and butter, be

from other milk and butter brands? Milk will taste (more or less) the same, irrespective of which branded Tetrapak carton one buys, and butter will taste (more or less) the same, irrespective of the logo on the carton. Yet, the consumer, at the moment of truth, when standing in the shop aisle, chooses Amul over the competition. That's a result of having received, over the decades, good quality and great value for money. That is trust in a brand. The ultimate prize that a marketing company can hope to win. By the mid 1990s, liberalisation had entered India and India saw an end to the era of monopolies, and Amul was no different. By 2000, India was a happy hunting ground for many multinationals, who made a beeline for our shores. "An expanding market inevitably attracts increasing competition. Today, every product category sees new entrants in our business. Competition may be from existing companies entering new categories or from new companies. Our experience and marketing prowess has enabled us to maintain a formidable distance between our competitors and us. However, there is no room for complacency. We must not only maintain our lead, we must increase it," Kurien said in 2001. There are also so many Indian companies that failed to understand the dynamics of the new India and found themselves unable to halt the slide from being market leaders to also-rans. Kurien saw to it that, first, the changes were acknowledged and understood and that complacency was no option. His words have the hallmark of a fighter from the private sector – "we must not only maintain our lead, we must increase it." The Indian business press has rarely referred to DrKurien as a management guru. But how different is DrKurien's statement from the famous quote by former Intel CEO Andy Grove, when he said, "Only the paranoid survive"? It was Kurien who taught Amul to be paranoid – and, consequently, not just survive, but grow, grow and grow. Now, Amul will have to deal with a future without the aid of DrKurien. Perhaps they would do well to draw from another bit of advice from him, namely this statement, made in 2004: "The key to retaining our competitive advantage lies in keeping focused on the basic business principles:

- Be Customer-Driven
- Adapt quickly to the changing environment.
- Anticipate change and act today to meet tomorrow's challenges."

Forget about Amul. Whatever marketing company you work for, look beyond Amul's ads and try and understand what DrKurien did to help make Amul one of the greatest brands built in India; try and understand how he dealt with changes in government policy, the liberalisation of the economy and the emergence of competition in category after category.

District Cooperative Milk Producer's Union

(Dugdh Sangh)

The main functions of the union are:

- Procurement of milk from the village milking societies of the district,
- Arranging transportation of raw milk from the VDCS i.e. (Village Dairy Cooperative Societies) to the Milk Union,
- Providing input services to the producers like veterinary care, artificial insemination services, cattle-feed sales, mineral mixture sales, fodder and fodder seed sales,
- Conducting training on cooperative development, animal husbandry and dairying for milk producers and conducting skill development and leadership development training for VDCS staff and Management Committee members,
- Providing management support to the VDCS along with supervision of its activities.
- Establish chilling centres and dairy plants for processing the milk received from the villages.
- Selling liquid milk and milk products within the district
- Process milk into milk products as per the requirement of State Marketing Federation.
- Decide on the prices of milk to be paid to milk producers as well on the prices of support services provided to members.

Impact of the "Amul Model"

The effects of Operation Flood Programme are appraised by the World Bank in an evaluation report. It has been proved that an investment of Rs. 20 billion over 20 years under Operation Flood in the 1970s and 80s has contributed in increase of India's milk production by 40 million metric tonnes (MMT), i.e., from about 20 MMT pre-Operation Flood to more than 60 MMT at the end of Operation Flood.

Thus, an incremental return of Rs. 400 billion annually have been generated by an investment of Rs. 20 billion over 20 years. India's milk production continues to increase and now stands at 90 MMT. Despite this fourfold increase in production, there has not been a drop in the prices of milk during the period while production has continued to grow.

EXTRA ORDINARY STORY OF AMUL

Every day Amul collects 447,000 litres of milk from 2.12 million farmers (many illiterate), converts the milk into branded, packaged products, and delivers goods worth Rs 6 crore (Rs 60 million) to over 500,000 retail outlets across the country. Its supply chain is easily one of the most complicated in the world. If we are visit to any Amul or Gujarat Cooperative Milk Marketing Federation (GCMMF) office a photograph of Mahatma Gandhi will be missing but we can certainly see one particular photograph showing a long line of Gujarati women waiting patiently for a union truck to come and collect the milk they have brought in shining brass matkas. This makes the farmers or the member of the organization of the organization how to prevent the milk from souring. Hence, Amul takes various initiatives to make the farmer or the producer understand how to provide service to the consumers with the only resource available with them i.e. milk a perishable one. The prominent display of picture states the message”

NEVER FORGET YOUR CUSTOMER. IF YOU DON'T SUCCESS IN CERTAIN”

At the time Amul was formed, consumers had limited purchasing power, and modest consumption levels of milk and other dairy products. Being a co-operative organization Amul adopted a low-cost price strategy to make its products affordable and attractive to consumers by guaranteeing them value for money. Amul also introduced higher value products. Beginning with liquid milk, Amul enhanced the product mix through the progressive addition of higher value products while maintaining the desired growth in existing products.

The Taste of India – these four words are more than what the common man may think of these – a mere slogan. Advertising people call this corporate positioning. But jargon apart these four words lend meaning to Amul's never ending crusade; they reinforce Amul's commitment of taking quality food products right down to the rural man, products, the common man otherwise would have never afforded. It was Amul that first made chocolate affordable to the 'aam admi', then followed the same with Ice Cream, pizza and a range of value added products. Who would have thought that a tailor in Azamgarh or a traveling salesman in Barabanki, UP would be digging into a cup of Amul Ice Cream on a hot day.

THE STORY OF – AMUL BUTTER GIRL.



Eustace Fernandes, the creator of the Amul girl. Fernandes is best remembered as a cartoonist and an illustrator and was living a retired life for some time. The Amul as one moppet has featured in hoardings for almost 48 years, making it the longest running of in ad campaign ever in the world. The hoardings displayed one-liners that constituted as one a veritable commentary on contemporary political and social events, with each week after featuring a new theme.

The iconic Amul girl, which turns 43 this year, is all set to enter the Guinness Book of World as Records for being the longest running campaign in the world.

Way back in 1966, the Amul account was given to the advertising agency called Advertising in and Sales Promotion (ASP). The team of Sylvester da Cunha, Eustace Fernandes, Usha Katrak and Marie Pinto worked on the Amul account at that point of time. The ad became a rage with tagline 'Utterly butterly delicious Amul' - and the rest, they say, is history.

Fernandes worked on the Amul account for three years till 1969 and then the team of talent such Usha Katrak, K Kurian, Eustace Fernandes and Radha started Radeus Advertising in 1974.

As a matter of fact, the word Radeus originated from the first three letters of Radha and Eustace. Edited from an article by Mini Varma published in The Asian Age on March 3, 1996.

The moppet who put Amul on India's breakfast table 50 years after it was first launched, Amul's sale figures have jumped from 1000 tonnes a year in 1966 to over 25,000 tonnes a year in 1997. No other brand comes even close to it. All because a thumb-sized girl climbed to the hoardings and put a spell on the masses.

It all began in 1966 when Sylvester daCunha, then the managing director the advertising agency, ASP, clinched the account for Amul butter. The butter, which had been launched in 1945, had a staid, boring image, primarily because the earlier advertising agency which was in charge for of the account preferred to stick to routine, corporate ads.

In India, food was something one couldn't afford to fool around with. It had been taken too seriously, for too long. Sylvester daCunha decided it was time for a change of image.

The year Sylvester daCunha took over the account, the country saw the birth of a campaign whose charm has endured fickle public opinion, gimmickry and all else. The Amul girl who lends herself so completely to Amul butter, created as a rival to the Polson butter girl. This one was cute, as in village belle, clothed in a tantalising choli all but covering her upper regions.

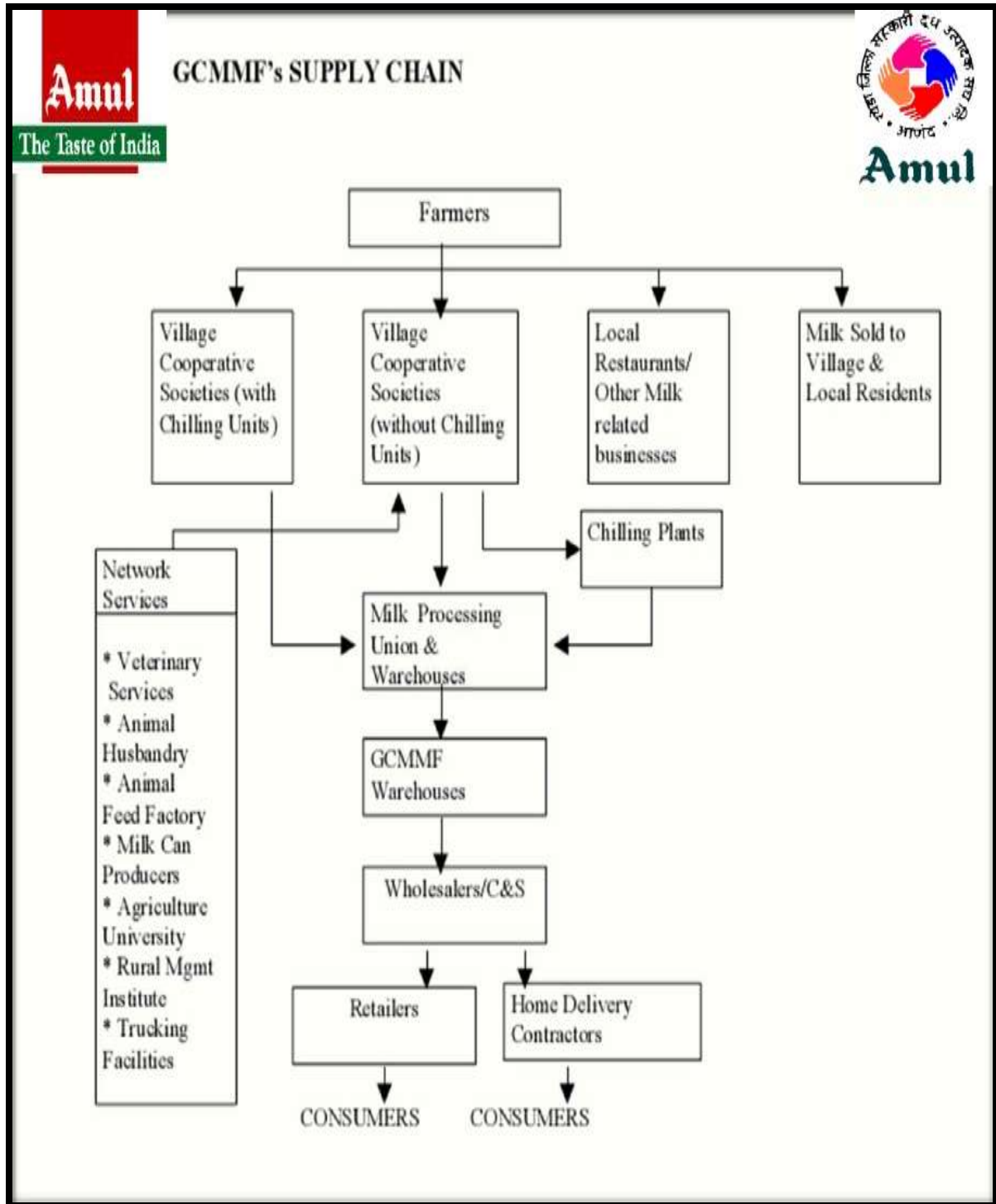
"Eustace Fernandez (the art director) I decided that we needed a girl who would worm her way into a housewife's heart. And why better than a little girl?" says Sylvester daCunha. And so on it came about that the famous Amul Moppet was born.

"We ran a couple of ads that created quite a furore," says Sylvester daCunha. "The Airlines is one really angered the authorities. They said if they didn't take down the ads they would stop supplying Amul butter on the plane. So ultimately we discontinued the ad," he says laughing. Then there was the time when the Amul girl was shown wearing the Gandhi cap. The high command came down heavy on that one. The Gandhi cap was a symbol of independence, they couldn't have anyone not taking that seriously. So despite their reluctance the hoardings were wiped clean. "Then there was an ad during the Ganapati festival which said, Ganapati Bappa More Ghya (Ganapati Bappa take more). The Shiv Sena people said that if we didn't do something about removing the ad they would come and destroy our office. It is surprising how vigilant the political forces are in this country. Even when the Enron ads (Enr On Or Off) were running, Rebecca Mark wrote to us saying how much she liked them."

There were other instances too. Heroine Addiction, Amul's little joke on Hussain had the artist ringing the daCunhas up to request them for a blow up of the ad. "He said that he had seen the hoarding while passing through a small district in UP. He said he had asked his assistant to take a photograph of himself with the ad because he had found it so funny," says Rahul da Cunha in amused tones. Indians do have a sense of humour, after all.

From the Sixties to the Nineties, the Amul ads have come a long way. While most people agree that the Amul ads were at their peak in the Eighties they still maintain that the Amul ads continue to tease a laughter out of them. Where does Amul's magic actually lie? Many believe that the love charm lies in the catchy lines. That we laugh because the humour is what anybody would enjoy.

GUJARAT CO-OPERATIVE MILK MARKETING FEDERATION.



GUJARAT COOPERATIVE MILK MARKETING FEDERATION. **(GCMMF)**

Gujarat Cooperative Milk Marketing Federation Ltd. (GCMMF), is India's largest food product marketing organisation with annual turnover (2013-14) **US\$ 3.0 billion. Its daily work milk procurement is approx 13.18 million lit per day from 17,025 village milk cooperative societies, 17 member unions covering 31 districts, and 3.23 million milk producer members.** It is the Apex organisation of the Dairy Cooperatives of Gujarat, popularly known as 'AMUL', which aims to provide remunerative returns to the farmers and also serve the interest of consumers by providing quality products which are good value for money. Its success has not only been emulated in India but serves as a model for rest of the World. It is exclusive to be with marketing organisation of 'Amul' and 'Sagar' branded products. It operates through 53 Sales & Offices and has a dealer network of 10000 dealers and 10 lakh retailers, one of the largest such networks in India. Its product range comprises milk, milk powder, health beverages, ghee, whey butter, cheese, Pizza cheese, Ice-cream, Paneer, chocolates, and traditional Indian sweets, etc. GCMMF is India's largest exporter of Dairy Products. It has been accorded a "Trading House" status. Many of our products are available in USA, Gulf Countries, Singapore, The Philippines, Japan, China and Australia. GCMMF has received the APEDA Award from Government of India for Excellence in Dairy Product Exports for the last 13 years. For the year 2009-10, GCMMF has been awarded "**Golden Trophy**" for its outstanding export performance and contribution in dairy products sector by APEDA. In 2013-14, GCMMF took giant strides in expanding its presence in International markets. Amul's presence on Global Dairy Trade (GDT) platform in which only the top six dairy players of the world sell their products, has earned respect and recognition across the world. By selling milk powders & many on GDT, GCMMF could not only realize better prices as per market demand but it also firmly established Amul in the league of top dairy players in world trade.

For its consistent adherence to quality, customer focus and dependability, GCMMF has received numerous awards and accolades over the years. It received the Rajiv Gandhi National Quality Award in 1999 in Best of All Category. In 2002 GCMMF bagged India's Most Respected Company Award instituted by Business World. In 2003, it was awarded the The IMC Ramkrishna Bajaj National Quality Award - 2003 for adopting noteworthy quality management practices for logistics and procurement. GCMMF is the first and only Indian organisation to win

topmost International Dairy Federation Marketing Award for probiotic ice cream launch in 2007. For the innovations, GCMMF has received AIMA-RK Swamy High Performance brand award 2013 and CNN-IBN Innovating for better tomorrow award in 2014. For the tree plantation activity GCMMF has received seven consecutive Good Green Governance award from Srishti during the year 2007 to 2013.

The Amul brand is not only a product, but also a movement. It is in one way, the representation of the economic freedom of farmers. It has given farmers the courage to dream which we can hope to live.

GCMMF Today:

GCMMF is India's largest food products marketing organisation. GCMMF markets and manages the Amul brand. From mid-1990's Amul has entered areas not related directly to its core of the business. Its entry into **ice Cream** was regarded as successful due to the large market share it was able to capture within a short period of time - primarily due to the price differential and the brand name. It also entered the **Pizza** business, where the base and the recipes were made available to restaurant owners who could price it as low as 30 rupees per pizza when the other players were charging upwards of 100 rupees.

In September 2007, Amul emerged as the leading Asian brand according to a survey by the name Synovate to find out Asia's top 1000 Brands.

Collection of milk:

Every day Amul collects 447,000 liters of milk from 2.12 million farmers (many illiterate), converts the milk into branded, packaged products, and delivers goods worth Rs 6 crore that (Rs 60 million) to over 500,000 retail outlets across the country. Its supply chain is easily one of the most complicated in the world. How do managers at Amul prevent the milk from there souring? Walk in to any Amul or Gujarat Cooperative Milk Marketing Federation (GCMMF) office, and you may or may not see a photograph of Mahatma Gandhi, but you will certainly see one particular photograph. It shows a long line of Gujarati women waiting patiently for a union truck to come and collect the milk they have brought in shining brass *matkas*. As such The picture is always prominently displayed.

Organization structure: It all started in December 1946 with a group of farmers keen to free themselves from intermediaries, gain access to markets and thereby ensure maximum in returns for their efforts.

Based in the village of Anand, the Kaira District Milk Cooperative Union (better known as amul) expanded exponentially. It joined hands with other milk cooperatives, and the Gujarat network in now covers 2.12 million farmers, 10,411 village level milk collection centers and fourteen as such district level plants (unions) under the overall supervision of GCMMF.

There are similar federations in other states. Right from the beginning, there was recognition in that this initiative would directly benefit and transform small farmers and contribute to the edge development of society. Markets, then and even today, are primitive and poor in infrastructure. Amul and GCMMF acknowledged that development and growth could not be left to market if forces and that proactive intervention was required. Two key requirements were identified.

- The first, that sustained growth for the long term would depend on matching supply and demand. It would need heavy investment in the simultaneous development of suppliers and consumers.
- Second, that effective management of the network and commercial viability would require professional managers and technocrats.

To implement their vision while retaining their focus on farmers, a hierarchical network of cooperatives was developed, which today forms the robust supply chain behind GCMMF's endeavors. The vast and complex supply chain stretches from small suppliers to large fragmented markets. Management of this network is made more complex by the fact that GCMMF is directly responsible only for a small part of the chain, with a number of third party players (distributors, retailers and logistics support providers) playing large roles. Managing this supply chain efficiently is critical as GCMMF's competitive position is driven by low consumer prices supported by a low cost system.

Introducing higher value products:

Beginning with liquid milk, GCMMF enhanced the product mix through the progressive addition of higher value products while maintaining the desired growth in existing products and the goods.

Despite competition in the high value dairy product segments from firms such as Hindustan uni Lever, Nestle and Britannia, GCMMF ensures that the product mix and the sequence in which is Amul introduces its products is consistent with the core philosophy of providing milk at a best basic, affordable price.

Umbrella brand:

The network follows an umbrella branding strategy. Amul is the common brand for most product categories produced by various unions: liquid milk, milk powders, butter, ghee, cheese, cocoa & products, sweets, ice-cream and condensed milk.

Amul's sub-brands include variants such as Amulspray, Amulspree, Amulya and Nutramul. The edible oil products are grouped around Dhara and Lokdhara, mineral water is sold under the way Jal Dhara brand while fruit drinks bear the Safal name.

By insisting on an umbrella brand, GCMMF not only skillfully avoided inter-union conflicts but also created an opportunity for the union members to cooperate in developing products.

Managing the supply chain:

Even though the cooperative was formed to bring together farmers, it was recognised that professional managers and technocrats would be required to manage the network effectively and make it commercially viable.

Coordination:

Given the large number of organizations and entities in the supply chain and decentralized responsibility for various activities, effective coordination is critical for efficiency and cost control. GCMMF and the unions play a major role in this process and jointly achieve in the the desired degree of control.

Buy-in from the unions is assured as GCMMF's board approves the plans. The board is drawn from the heads of all the unions, and the boards of the unions comprise of farmers elected through village societies, thereby creating a situation of interlocking control.

The federation handles the distribution of end products and coordination with retailers and the dealers. The unions coordinate the supply side activities.

These include monitoring milk collection contractors, the supply of animal feed and other supplies, provision of veterinary services, and educational activities.

Managing third party service providers:

From the beginning, it was recognized that the unions' core activity lay in milk processing and the production of dairy products. Accordingly, marketing efforts including brand development were assumed by GCMMF. All other activities were entrusted to third parties. These include logistics of milk collection, distribution of dairy products, sale of products of through dealers and retail stores, provision of animal feed, and veterinary services.

It is worth noting that a number of these third parties are not in the organized sector, and many are not professionally managed with little regard for quality and service.

Technology and e-initiatives:

GCMMF's technology strategy is characterized by four distinct components: new products, process technology, and complementary assets to enhance milk production and e-commerce.

Few dairies of the world have the wide variety of products produced by the GCMMF network. Village societies are encouraged through subsidies to install chilling units. Automation in processing and packaging areas is common, as is HACCP certification. Amul actively pursues developments in embryo transfer and cattle breeding in order to improve cattle quality and increases in milk yields. GCMMF was one of the first FMCG (fast-moving consumer goods) firms in India to employ Internet technologies to implement B2C commerce

Today customers can order a variety of products through the Internet and be assured of delivery with cash payment upon receipt.

Another e-initiative underway is to provide farmers access to information relating to markets, technology and best practices in the dairy industry through net enabled kiosks in the villages.

GCMMF has also implemented a Geographical Information System (GIS) at both ends of the supply chain, i.e. milk collection as well as the marketing process.

Farmers now have better access to information on the output as well as support services while providing a better planning tool to marketing personnel.

7 Important Marketing Rules followed By Amul:

1. Never Underestimate the customer.
2. Shatter the demand curve.
3. Create a ladder of genuine benefits (technical,functional,emotional).
4. Escalate innovate, elevate quality, deliver a flowless experience.
5. Extend the price range and positioning of the brand.
6. Customize your value chain to deliver the benefit ladder.
7. Use influence marketing, seed your success through brand positioning.



MEMBER UNIONS OF GCMMF

1. Kaira District Cooperative Milk Producers' Union Ltd., Anand.
2. Mehsana District Cooperative Milk Producers' Union Ltd, Mehsana.
3. Sabarkantha District Cooperative Milk Producers' Union Ltd., Himatnagar.
4. Banaskantha District Cooperative Milk Producers' Union Ltd., Palanpur.
5. Surat District Cooperative Milk Producers' Union Ltd., Surat.
6. Baroda District Cooperative Milk Producers' Union Ltd., Vadodara.
7. Panchmahal District Cooperative Milk Producers' Union Ltd., Godhra.
8. Valsad District Cooperative Milk Producers' Union Ltd., Valsad.
9. Bharuch District Cooperative Milk Producers' Union Ltd., Bharuch.
10. Ahmedabad District Cooperative Milk Producers' Union Ltd., Ahmedabad.
11. Rajkot District Cooperative Milk Producers' Union Ltd., Rajkot.
12. Gandhinagar District Cooperative Milk Producers' Union Ltd., Gandhinagar.
13. Surendranagar District Cooperative Milk Producers' Union Ltd., Surendranagar.
14. Amreli District Cooperative Milk Producers Union Ltd., Amreli .
15. Bhavnagar District Cooperative Milk Producers Union Ltd., Bhavnagar.
16. Kutch District Cooperative Milk Producers' Union Ltd., Anjar.
17. Junagadh District Cooperative Milk Producers' Union Limited, Junagadh.

DISTRIBUTION NETWORK

Distribution channels are probably the most visible aspect of any company's marketing efforts. A recent estimate puts the number of retail outlets in India at 5 million. The retail industry of provides livelihood to more than 15 million people in the country. If one included in this that number of distributors, wholesalers, agents including the army of life insurance agents, trans, warehouse keepers, and all other entities involved in the distribution of products and services to the end consumers.

“Distribution channels are sets of interdependent organizations involved in the process of making a product or service available for use or consumption”.

Intermediaries are required to smoothen the flow of goods and services by engaging themselves in sorting function. The sorting function performed by the intermediaries includes

Breaking down a heterogeneous supply into separate stocks that are relatively homogeneous in it called 'sorting out'.

Bringing similar stocks from a number of sources together into a larger homogeneous supply called 'accumulation'.

Building up of an assortment of products for resale in association with each other called 'assorting'.

Distribution channel strategy:

The major domains across which distribution strategy is framed includes

- Setting distribution objectives in terms of the customer requirements.
- Organizing the activities so that the responsibility of performing the activities is shared among the entities that are meant to perform these activities.
- Developing policy guidelines for the smooth functioning of the channel on a day to day basis .

In the wake of increasingly complicated supply chains, distribution network design plays a key role in controlling the cost of doing business. And in a world of shrinking margins, controlling the cost of doing business can be the factor that puts you ahead of your competitors.

Strategic Productivity Enhancement

GCMMF and Milk Unions have identified the gaps which are hindering the efforts of improving milk productivity and therefore have envisioned integrated intervention to achieve objectives in of higher milk productivity and production, titled Strategic Productivity Enhancement of that in Programme. The concept of this programme is designed with an aim to develop a genetically improved animal with high productivity. It initiates with the selection of proper animals, to deal pure breed cows and buffaloes with high genetic potential by adopting Pure Breeding Program. Accordingly, 14968 Superior animals having high productivity have been identified under the programme and their better progeny will be obtained by using 100% pure bull semen. In line with our objective, during the year we have received the first lot of imported progeny tested Pure HF semen doses. To further develop the genetic potential of these calves we have planned the Calf Rearing Programme. Around 45730 calves have been registered under Calf Rearing Programme.

The Path of Innovation...

Moving further ahead on the path of innovation, there plan is to enhance & widen our product portfolio, based on demand and expectations of our loyal consumers. Using insights from there consumer research and learning from the experience of dairy industry across the world, we will introduce innovative products customized as per requirement of specific segments of consumers. In terms of process innovations, we will continue to leverage heavily on information technology across the entire value-chain of dairy business, seamlessly linking our farmer members in the 17000 villages of Gujarat to millions of consumers across the country. Another following life of dimension of technological innovation that we plan to emphasize on will be to enhance towards productivity per animal, with the ultimate objective of increasing milk production as well as in reducing cost of milk production.

During the year 2014-15, they have plan to continue with there growth trend and will target at least 21% growth to exceed turnover of Rs. 22000 crores. 'AMUL' also plan to further expand the milk procurement network to cover almost the entire region of Saurashtra. 'AMUL' there acknowledged and appreciate the tremendous trust that Indian consumers have placed on them, over the last six decades.

RANGE OF PRODUCTS.

Breadspreads:

- Amul Butter.
- Amul Low Fat Bread Spread.
- Amul Cooking Butter.

Cheese Range:

- **Amul Pasteurized Processed Cheddar Cheese.**
- Amul Processed Cheese Bread Spread.
- Amul Pizza Mozzarella Cheese.
- Amul Shredded Pizza Cheese
- Amul Emental Cheese.
- Amul Gouda Cheese.
- Amul Malai Paneer (cottage cheese)
- Utterly Delicious Pizza

Mithaee Range (Ethnic sweets):

- Amul shrikhand (Mango, Saffron, Pistachio, Cardamom)
- Amul Amrakhand
- Amul Mithai Gulabjamun.
- Amul Mitahi Gulabjamun Mix.
- Amul Mitai Kulfi Mix.
- Avsar Ladoos

(ULTRA HIGH TEMPERATURE) UHT- Milk Range:

- Amul Shakti 3% fat Milk
- Amul Taaza 1.5% fat Milk.
- Amul Gold 4.5% Fat Milk.
- Amul Lite Slim & Trim Milk 0% Fat Milk.
- Amul Shakti Toned Milk
- Amul Fresh Cream.
- Amul Snowcap Softy Mix

Pure Ghee:

- Amul Pure Ghee.
- Sagar Pure Ghee.
- Amul Cow Ghee

Infant Milk Range:

- Amul Infant Milk Formula 1 (0-6 months)
- Amul Infant Milk Formula 2 (6 months above)
- Amul Spray Infant Milk Powder.

Milk Powders:

- Amul Full Milk Cream Powder.
- Amulya Dairy Whitener.
- Sagar Skimmed Milk Powder.
- Sagar Tea & Coffee Whitener.

Sweetened Condensed Milk:

- Amul Mithaimate Sweetened Condensed Milk.

Fresh Milk:

- Amul Taaza Tonned Milk 3% Fat.
- Amul Gold Full Cream Milk 6% Fat.
- Amul Shakti Standardised Milk 4.5% fat
- Amul Slim & Trim Double Toned Milk 1.5% fat
- Amul Saathi Skimmed Milk 0% fat
- Amul Cow Milk

Curd Products:

- Yogi Sweetened Flavoured Dahi (Dessert)
- Amul Masti Dahi.
- Amul Masti Spiced Butter Milk
- Amul Lasse

Amul Icecreams:

Royal Treat Range

- Butterscotch, Rajbhog, Malai Kulfi

Nut-o-Mania Range

- Kaju Draksh, Kesar Pista Royale, Fruit Bonanza, Roasted Almond

Nature's Treat

- Alphanso Mango, Fresh Litchi, Shahi Anjir, Fresh Strawberry, Black Currant, Santra Mantra, Fresh Pineapple

Sundae Range

- Mango, Black Currant, Sundae Magic, Double Sundae

Assorted Treat

Chocobar, Dollies, Frostik, Ice Candies, Tricone, Chococrunch, Megabite, Cassatta

Utterly Delicious

- Vanila, Strawberry, Chocolate, Chocochips, Cake Magic

Chocolate & Confectionery:

- Amul Milk Chocolate
- Amul Fruit & nut Chocolate.

Brown Beverage:

- Nutramul Malted Milk Food.

Milk Drink:

- Amul Kool Flavoured Milk (Mango, Strawberry, Saffron, Cardamom, Rose, Chocolate)
- Amul Kool Cafe

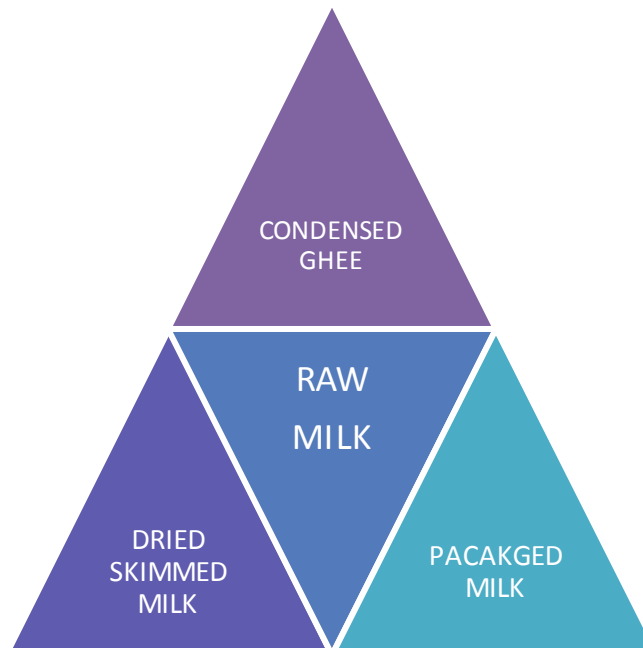
Health Beverage:

Amul Shakti White Milk Food

MARKETING STRATEGIES & PRODUCTION PROCESS OF AMUL – THE TASTE OF INDIA



Amul — Bussiness Model



Every day Amul Collects 7 million liters of milk from 2.6 million formers, converts the milk into branded, packed products and delivers goods to over 5,00,000 retail outlets across the country.

Its supply chain one of the most complicated in the world.

REASON FOR SUCCESS

Robust Supply Chain.

Low Cost Strategy .

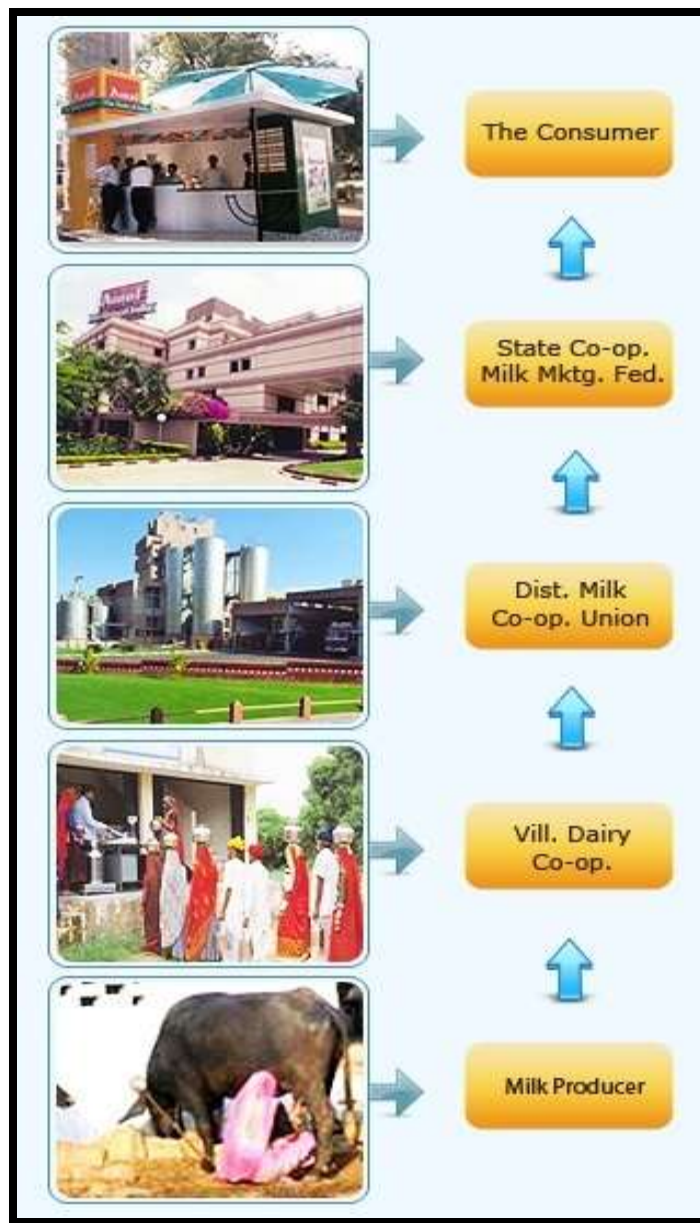
Diverse product mix:- Amul Butter, Ghee, Milk Powder, Cheese, Chocolate, Shrikhand, Ice Cream, Amulspray, Milk, Nutramul And Amulya.

Strong Distribution network

Technology And E-Initiatives

PROPER CHANNEL FOR AMUL PRODUCTS.

“AMUL BRAND” is known for the Proper Working Strategy & Distribution Channel Of all its Products, Starting From the Milk Producers To the End Consumer. As it is known for the varied Range of Products the Distribution Channel is Properly Maintained in such a Manner that the End Consumer Comes up With a Satisfactory Smile After Trusting & Using “AMUL BRAND”.



**‘AMUL BAKERY’ - A NEW INVENTION FROM AMUL BRAND
TAKING A BOOST TOWARDS SUCCESS.**



AMUL BAKERY evolve a marketing philosophy that reflects the needs of the consumer. With products designed keeping both health and taste in mind, AMUL BAKERY appeals to both health conscious mothers and fun loving kids. The great tradition of taste and nutrition is consistent in every pack on the store shelves, even today. The value-for-money positioning allows people from all classes and age groups to enjoy amul bakery products to the fullest.

Amul, the country's biggest dairy brand, plans to expand its fledgling bakery products business and will soon build a plant that can produce 20 tonnes of cookies a day, a top official said.

"We are looking at a 40% annual growth for cookies, buns and bread that accounted for over 20 crore," Rahul Kumar, MD of the 2,800-crore Amul Dairy said that, "Unlike other brands which use butter flavour we are using 26% Amul butter in our cookies which consumers will like," he added.

The dairy cooperative has been selling cookies in chocolate, multigrain, butter and coconut varieties for two years in the Anand region catering to neighbouring markets of Ahmedabad and Vadodara in central Gujarat. It currently has a manufacturing capacity of 15-20 tonnes of cookies a month, which it says is not enough to meet demand.

The company will set up an automated plant at Mogar in Anand within a year, Kumar said. "We have received good response and feel that we can capitalise on distribution network of the federation that is experienced dealing with perishable products," he said.

Six months ago, Gujarat Cooperative Milk Marketing Federation (GCMMF) decided to brand and pack cookies attractively for the Anand market.

RS Sodhi, managing director at GCMMF, however, said the cooperative is in no hurry to take its non-dairy business national.

Despite becoming 20-crore portfolio for Amul Dairy, its diversification in cookies is yet to catch the attention of established players such as 'Parle Products' (maker of Hide & Seek and Milano), Britannia (Good Day) and ITC (Sunfeast).

A range of bakery items, including bread, bun and toast, is also on the menu of Kaira District Co-operative Milk Producers' Union, an important member of GCMMF. Currently, the union is conducting a pilot run for the products at its facility at Mogar.

According to sources, the union has lined up investments to the tune of Rs 12 crore for setting up a manufacturing facility with a capacity to produce of 1,00,000 bread packets a day, which may be enhanced later. It will manufacture biscuits and cakes subsequently.

"The biscuit and bakery items project will go on floors after one or two years," said Rahul Kumar, managing director, Kaira District Cooperative Milk Producers' Union.

Besides, GCMMF is there with two awesome milk shakes in three different tastes such as mango, strawberry and banana Which are Ruling the Tongue of Younsters in the Market.

"Awareness about natural taste and wellness is on the rise among people. After the response to flavoured milk, butter milk, lassi, Cool Cafe and Cool Coco, we are going to launch Amul milk shake in three different varieties with taste of fruits" said R S Sodhi, chief general manager, GCMMF.

HISTORY OF AMUL ICE CREAM

Amul Ice Cream was launched on 10th March, 1996 in Gujarat. The portfolio consisted of impulse products like sticks, cones, cups as well as take home packs and institutional/catering packs. Amul ice cream was launched on the platform of 'Real Milk. Real Ice Cream' given that it is a milk company and the wholesomeness of its products gives it a competitive advantage.

In 1997, Amul ice creams entered Mumbai followed by Chennai in 1998 and Kolkata and Delhi in 2002. Nationally it was rolled out across the country in 1999.

It has combated competition like Walls, Mother Dairy and achieved the No 1 position in the country. This position was achieved in 2001 and it has continued to remain at the top.

Today the market share of Amul ice cream is 38% share against the 9% market share of HLL, thus making it 4 times larger than its closest competitor.

Not only has it grown at a phenomenal rate but has added a vast variety of flavours to its ever growing range. Currently it offers a selection of 220 products. Amul has always brought newness in its products and the same applies for ice creams.

In January 2007, Amul introduced SUGAR FREE & ProLife Probiotic Wellness Ice Cream, which was a first in India. This range of SUGAR FREE, LOW FAT Diabetic Delight & ProLife Probiotic Wellness Ice Cream is created for the health conscious.

Amul's entry into ice creams is regarded as successful due to the large market share it was able to capture within a short period of time – due to price differential, quality of products and of course the brand name.

While growing at a phenomenal pace, Amul has always taken care to offer delectable flavours to all age groups across the society. Over the years, Amul has added diverse flavours to its range of ice creams so that one can have variety of choices.

Amul offers a selection of almost 220 products with flavours ranging from exotic Honey Banana to Kesar Pista and many more.

Manufacturing Units of Amul Ice Creams In 'INDIA'...

- | | |
|---|--|
| 1. Mother Dairy – Bhat, India. | 5. India Dairy Products Ltd. – Kolkata, India. |
| 2. Banas Dairy - Palanpur, India. | 6. Vidya Dairy – Anand, India. |
| 3. Dudhmansagar Dairy – Manesar, India. | 7. Vasundhara Dairy – Tarapur, India. |
| 4. Baroda Dairy – Varodara, India. | |

SOME IMPORTANT FACTS THAT WHY WE CHOOSE AMUL ICE CREAM.

1. VALUE FOR MONEY.

To offer our customers the best quality ice cream at the best price.

2. REAL MILK REAL ICE CREAM.

They offer the finest products made out of real milk. By advertising 'Real Milk. Real Ice Cream' they have established Amul to be a dairy based ice cream and have succeeded in achieving leadership.

3. ONLY DAIRY BASED ICE CREAM.

Other ice cream brands use vegetable fat instead of milk fat as the main ingredient. Vegetable fat based ice cream is known as Frozen Dessert. It is the most expensive ingredient being three times cheaper than milk fat. Amul Ice Cream is the only brand to use Milk Fat making it the non rival dairy based ice cream.

Also, dairy based ice creams contain Vitamins A, D, E and K. A child can eat a cup of ice cream which is equal to a glass of milk.

The same is not true for Frozen Desserts.



Satellite Dairies

Among satellite dairies we achieved considerable growth in Kolkata market which is very encouraging. At Kolkata on an average we sold 5.30 lakh litre milk daily besides Ice-Cream, Flavoured Milk and Curd. Though we have retained a major share of Kolkata market, efforts are to further increase the sales volume in the same Manner.

At Pune and its surrounding markets we are selling packed Milk, Butter Milk and Curd. Despite tough competition; I am happy to note that we have been able to improve our market share.

I am glad to inform you that at Mumbai we have started milk packing from our own most modern automated plant operating with Robot system which is the first ever such effort in India. The present capacity of this plant is 10 lakh litres per day (LLPD) which can be expanded to 20 LLPD. We have started manufacturing of Ice-cream also at this plant.

AMUL PALOURS:-

Amul "Utterly Delicious" Parlours:-



Amul has recently entered into direct retailing through "Amul Utterly Delicious" parlours created in major cities Ahmedabad, Bangalore, Baroda, Delhi, Mumbai, Hyderabad and Surat. Amul has plans to create a large chain of such outlets to be managed by franchisees throughout the country. We have created Amul Parlours at some prominent locations in the country, which are run by the company or its wholesale dealers:

1. Delhi Metro Rail Corporation
2. The Somnath Temple
3. National Institute of Design
4. Infosys Technologies in Bangalore, Mysore & Pune
5. Wipro campus in Bangalore
6. Ahmedabad Municipal Corporation

"Amul Utterly Delicious" parlours are an excellent business opportunity for investors, shopkeepers and organizations. In order to come

closer to the customer, Amul have decided to create a model for retail outlets, which would be known as "Amul Preferred Outlets"(APO).



STRENGTH.

- 1.High brand equity and top of the mind brand.
2. Strong network of over 3 million milk producers.
3. World's largest manufacturer of pouched milk.
4. India's largest food brand, trusted for its quality.
- 5.Number of popular milk products like ice cream, ghee, butter, paneer, dahi, milk, etc.
- 6.Products available at affordable price.
- 7.Market leader in butter segment.
- 8.Responsible for white revolution in India.
9. Successful advertising and marketing campaigns.
- 10.Strong network of Amul retail outlets, stalls and parlours.
- 11.A popular mascot in the Amul girl.
12. Amul has its base in India with its butter and so can easily promote chocolates without fearing for losses.

WEAKNESSES

1. There are various big players in the chocolate market, which acts as major competitors restricting their growth.
2. Lack of capital invested as compared to other companies.
3. Improper distribution channel in India.
4. Strong competition from international & domestic players in the ice cream segment means limited market share.

OPPORTUNITIES.

1. There is a lot of potential for growth and development as huge population stay in rural market where other companies are not targeting.
2. The chocolate market is at growth stage with very less competition so by introducing new brand and intensive advertising there can be a very good scope in future.
3. Rise in purchasing power of Indian people.

THREATS.

1. The major threat is from other companies who hold the majority share of consumers in Indian market i.e. Cadburys and Nestle.
2. There exists no brand loyalty in the chocolate market and consumers frequently shift their brands.
3. New companies' entering in Indian market like Fantasie fine poses lot problems for Amul.
4. Strong competition from international players.
5. Economic slowdown and inflation.

MICHAEL PORTER'S 5 FORCE MODEL DEVELOPED FOR "AMUL"

The Porter's Five Forces tool is a simple but powerful tool for understanding where power lies in a business situation. This is useful, because it helps you understand both the strength of your current competitive position, and the strength of a position you're considering moving into.

Conventionally, the tool is used to identify whether new products, services or businesses have the potential to be profitable. However it can be very illuminating when used to understand the balance of power in other situations.

1. **THREAT OF NEW ENTRIES**. As Amul is ruling the Market since many years with a strong Customer centric Approach. Our Market is as such Open without any Barriers there are more chances of New Products & Companies getting entered in the Market.

2. **COMPETITIVE RIVALRY**. It plays a major role in due to Other Brands like Nestle, Mother Dairy, who have also established themselves with a Strong brand Power in the Market which are also the Local Players which gives a tough competition to Amul in a Proper Competitive Way.

3. **BARGAINING POWER OF SUPPLIERS**. The Bargaining of Suppliers are very Low who belongs to the Rural side who are weaker in adapting the product bargaining power & different Strategies used.

4. **BARGAINING POWER OF CUSTOMERS**. As in open Market Customers have their own desire & own willingness to purchase a product of a particular quality & brand. Amul also have their own Competitors ruling customers mind due to their key importance.

5. **THREAT OF SUBSTITUTES**. Availability of other products as substitutes causes a threat to the existing Products there in the market.

MARKETING & SALES PROMOTION STRATEGY

Looking at the current Indian marketing scenario, “AMUL” is moving back in time. An expert says that in the evolution of marketing, before the marketing concept became popular, there is a selling concept which states that "customers and businesses, if left alone will ordinarily not buy enough of the organizations products. The organization must therefore undertake an aggressive selling and promotion effort" In this present scenario, it is true that companies will survive only if there is a super efficient sales force. The reasons are that increasingly every product is being commoditized and there is an increase in the power of retails, information explosion that has given the consumer an unusual power. This has ensured that without an efficient sales force companies cannot survive.

Even when companies focus on sales effort, concept like segmentation should not be overlooked. For example, there has been lot of effort on increasing credit card usage in India. Credit card now comes free for life and sales people are just selling credit cards like chocolates. Is it not wise to look at whether the consumer wants a credit card? Does he like to use one? Does he have the ability to pay back? Recently a news channel showed a mutual fund agent giving discounts to a client from his brokerage. What does that mean? It simply means that we are not practicing marketing. We are just selling....

Many business gurus' are saying that, "customers are the god or king of the market". It can be understood from the fact that the customer is not the king as the companies want the consumer to be loyal. The real fact is that no company regard customer as the king. Everyone in the market cares about the money. Marketing is creating and exchanging goods of value between company objectives are achieved in that process. So what is happening now is this exchange process. Marketers tried to attract customers by treating them well and thus came the cliché "customer is the King". It is only economics in play. It is now the choice of the customer that whether he wants himself to be treated as a king (and pay for it).

After realizations of the big issue Amul stated to make the marketing and sales promotion strategy to overcome the problem. Amul is the largest co-operative movement in India with 2.2 million milk producers organized in 10,552 co-operative societies in 2003-2004. The country's largest food company, Amul, is the market leader in butter, whole milk, cheese, ice cream, dairy whitener, condensed milk, saturated fats and long life milk. Amul follows a unique business model, which aims at providing 'value for money' products to its consumers, while protecting the interests of the milk-producing farmers who are its suppliers as well as its owners. Despite being a farmers' co-operative, Amul has given multinationals a run for their money. In butter, cheese and saturated fats, Amul has remained the undisputed market leader since its inception in 1955, by offering quality products at competitive prices. In other categories, Amul has nullified its late mover disadvantage through aggressive pricing, better quality, innovative promotion, and superior distribution.

Market Share

The brand positions itself as a brand of both masses and classes, unlike competitors like Nestle. Gujarat Co-operative Milk Marketing Federation (GCMMF), owners of Amul brand of milk and dairy products, posted sales of Rs 11,670 crore for the year ended March 2012, almost 55% more than Nestle India's Rs 7,541-crore sales.

Amul owns 85 percent share in butter market and 75 percent in cheese share market. It may be mentioned here that Amul is the market leader in Rs 600 crore cheese market in India with 65-66% share. It also has 88% market share in butter, 63% share in infant milk and 45% market share in dairy whitener. Amul also enjoys a 26% share in the 25,000-crore packaged milk market.

With expected growth rate of 20 percent, 12% growth rate can be attributed to price rise and another 8 percent to rise in demand for dairy products.

WHAT STRATEGIES IS BEING USED BY “AMUL” TO KEEP THERE NO.1 POSITION IN THE MARKET???

AMUL PRODUCTS LIKE MILK, BUTTER, CHEESE, ICE CREAM & MANY MORE ARE MOREOVER CUSTOMER CENTRIC SINCE FROM LAST 68 YEARS.

| Category | Market Share | Market Position |
|------------------|--------------|-----------------|
| BUTTER | 85% | 1 |
| CHEESE | 75% | 1 |
| ICE CREAM | 38% | 1 |
| CHOCOLATE | 20% | 3 |
| SWEETS | 50% | 2 |

As shown in the above table **Amul butter** is one of the product which is holding the first position the reason behind it is as such the customers who are known as the king of Market has made the butter more popular, Instead of competitors of competitors like mother dairy, nestle, Amul Butter is one of the product which is liked & tasted by almost all the Indian families the reason behind as such is Amul butter is most commonly used in every household. Amul is made from butter common salt and permitted natural colour. It is been marketed from last from 4 decades. Amul butter composes of fresh cream, milk fat, moisture, salt as well as curd in specific proportions. Low pricing strategies & trying to cater the low middle class people in the market.

Launching a puffed-rice centered bar Launched milk / chocolate confectionery Planning to enter value- added segments. **Amul Chocolate** made of nutritious taste & tries cope with all the age group. As the market share holding power is low, the company is trying to make some innovations regarding the taste & packaging making it more tasty & attractive to attract more customers.

Amul Cheese is the one of the brand which is almost liked & tasted by every individuals. As such of butter the cheese made by amul is not being available in all the parts of the country, To cater large number of customers amul is all set to make an institutional market. By which the sales will be almost similar to the other products.

Amul ice cream ruling the market with the first position from many years. The reason behind this catering No.1 position is the awesome taste delightful flavours & affordable price with right quantity & quality. Due to its proper justified advertisements & packaging the amul ice cream is able to hold the No.1 position in the market.

Amul Milk handling the biggest empire of selling Milk 10 million litres per day has always been on the way of developing the rural side. To holdf there position in front of there competitors like Mahananda, Aarey, Gokul, Amul is on the urge on emphasizing on the price and develop the entire Market.

Amul Sweets standing on the second most position providing the products like Amul shrikhand (Mango, Saffron,Pistachio,Cardamom), Amul Amrakhand, Amul Mithai Gulabjamun, Amul Mitahi Gulabjamun Mix, Amul Mitai Kulfi Mix, Avsar Ladoos. Want to come up with some other sweet items which can attract more customers because the products they provide already exist in the market.

| The Marketing Mix [or] The 4 Ps | | | |
|--|--------------|-------------------------|---|
| PRODUCT | PLACE | PRICE | PROMOTION |
| Quality Features Brand Format | Distribution | List price Discounts | Advertising Public relations Direct marketing Social media Events |

4PS OF AMUL COMPANY:-

a) PRODUCT:-

Tracks consumer needs & their changing lifestyles, & accordingly develops products to suit their needs. Product quality plays a paramount role & so does packaging. Amul ice cream has wide range of variety that consists of more than hundred flavors available in the market including 20 new flavors, which is introduced in summer. As ice cream is an impulsive purchase item so, its sale depends mostly on availability and variety.

b) PRICING:-

The main USP of Amul brand is its low pricing. It hits at the transnationals by reducing its prices on its product portfolio. The competitive advantage is its “backward integration” strategy, which helps substantially in cost reduction. The price of Amul ice cream is very less compared to its competitors. In novelty item the price of the flavors varies from Rs.2 to Rs22. The pricing strategy of Amul is, to target each income group of the society. The cheaper price of ice cream is meant for targeting the people with low income. Along with the low income group Amul is also targeting medium as well as the premium segment by providing different flavors at different prices.

c) **PLACE:-**

Any food company requires a dedicated cool chain network. Amul boasts of the largest cold chain network (18000 refrigerators) in India, as compared to any other company. It is surprising to note that it sells pizzas in rural markets too! The distribution of the ice cream in Delhi is done through exclusive Amul outlets situated in various locations. In Delhi, Amul has eleven distributors who supply ice cream to more than 3000 outlets. These eleven distributors are responsible for their respective areas.

d) **PROMOTION:-**

Amul spends very less on its advertising budget, but spends it very effectively. It has the power of an umbrella brand Amul, which is highly respected brand name & enjoys the trust of 1000 million households. Thanks to its brand mascot, the Amul girl, the co-operative has been able to get away with spending just one per cent of its revenues on advertising. In contrast, its competitors spend anywhere between 7 to 10 per cent on advertising. Amul positioning is “Value for Money”. It uses the services of Da Cunha Associates & FCB Ulka for its advertising efforts. Amul is a well-established brand name of GCMMF. For promotion of the ice cream the company gives advertisement in newspaper and magazines. It gives glow sign board to every retailers and also makes wall paintings on their request. Amul uses their punch line ---“Real milk real ice cream” for the promotion.

Amul Production Facilities

One of the best known examples of policy success in India has been the “successful implementation of white revolution” and equally celebrated is the role of the brand in making this event a big success.

From two dairy cooperatives and 250 litres of milk per day to a network of 31 lakh dairy farmers, who are members of more than 15,000 village co-operatives.

Milk producers sell their produce to village co-operatives, which is affiliated to district milk co-operative union and then in turn to the state level milk marketing federation. A network of 8000 distributors makes Amul products available at over 4 lakh retail outlets in India.

PRODUCTION OF “AMUL PRODUCTS” TOOK A HIKE...

The year under review has witnessed tremendous demand in Amul products. All the products like Milk Powder, Butter, Flavoured Milk, Chocolate, Ice-cream, Paneer, Ghee, Cheese, etc. have shown increased demands. Amul have been able to produce quality products meeting international standard adopting latest technologies satisfying customers world over. At Anand the production of Butter, Milk Powder and Ghee have witnessed an increase of 12%, 15% and 38% respectively. The Khatraj Cheese Plant production witnessed 12% increase and we have taken up production of value added products and successfully developed new variety Edem Cheese. The whey powder of world class quality produced at our plant has been accepted well in the market. The whey powder production at our Whey Drying Plant at Khatraj indicated an increase of 14% compared to last year. The Bakery Plant has witnessed significant increase in production of Bread, Toast, Bun, Chocolate & Butter Cookies. During the year we have produced 940 MT Amul PRO which is three times more than last year. Our production of Delicious/Amul Lite witnessed growth of 12% & 10% respectively. There has been significant demand at West Bengal markets and we have produced 39.50 lakh litres Ice-cream and 45 lakh litres of Flavoured Milk to cater to this market. Increased demand and acceptance of our products in West Bengal markets gives us further confidence to make more efforts to sell more in this market.

Amul's Marketing Strategy

In order to maintain costs at lower levels, Amul India has never spent more than 1% of its budget on advertising. However it has still been successful in creating the same impact, it created 60 years ago through its simple yet appealing ad campaigns.

Talk about universally recognizable Brands grown in India, and one prominent contender is the Amul mascot, a cute and chubby girl usually dressed in a polka dot. Over 45 years of existence, the brand has always given a fresh flavour to Amul Mascot.

The Amul Girls and its new Witty avatar was the brain child of Sylvester da Cunha, the managing director of the advertising agency AS. The ads were designed as a series of hoardings with designs relating to day-to-day issues.

Amul Dairy Cooperatives, on the occasion of completing its 50 years of advertising, launched a book called 'Amul India'.

POINTS WHICH DESCRIBE MARKETING POWER OF “AMUL”

The moppet who put Amul on India's breakfast table 50 years after it was first launched, Amul's sale figures have jumped from 1000 tonnes a year in 1966 to over 25,000 tonnes a year in 1997. No other brand comes even close to it. All because a thumb-sized girl climbed on to the hoardings and put a spell on the masses. The Amul girl was the brainchild of Sylvester da Cunha, the managing director of the advertising agency. The ads were designed as a series of hoardings with designs relating to day-to-day issues.

The brand recall for the Amul girl is phenomenal across India today. And the biggest reason for this is the topical nature of the ads. The Amul ads have witty one-liners which capture relevant events that have caught the fancy of the nation.

Not only this, very innovatively AMUL presented its new brand strategy—

The utterly butterly girl to come alive! On Mumbai, Dec 29, 2000: After becoming everyone's favourite little "utterly butterly delicious" girl through print and television ads, the Amul Butter Girl came alive! The search for an Amul Butter Girl and an Amul Cheese Boy ended in January 2000, when the Gujarat Cooperative Milk and Marketing Federation (GCMMF) announced the real life Amul Butter Girl and Amul Cheese Boy through a national Amul Surabhi search contest. Acknowledged GCMMF's assistant general manager RS Sodhi: "The contest was meant to generate enthusiasm among students in every village and town. This also helped Amul's brand building exercise."

AMUL PRODUCT PACKAGING.

Amul's Marketing Strategies were always been customer centric. Thus it is kept in mind that the packaging of all Amul products appeal to the emotional side of the consumers.

USE OF EXPRESSION

For example the human facial expression of delight on the cheese variant packing reveal the pleasure people derive from consuming cheese & cheese products.

INFORMATION

Also the need to highlight the nutrient value & best possible use of the product is an important feature of all Amul products packaging.

PROTECTION

Recently Amul has focused largely upon capturing the branded tetra pack market with, variants that would last for over 2 weeks to three months even without refrigeration.

For Example :- Amul Moti, a new variant toned milk is priced a little higher than the fresh milk pouch. The UHT (ULTRA HIGH TEMPERATURE) treated milk is then packed in five layered special pouch to increase its self life to 90 days.

WHAT ARE TRIVIAL STRATEGIES???

When AMUL was formed, consumers had limited purchasing power & modest consumption levels of milk & other dairy products. Thus AMUL adopted:-

Low-Cost Price strategy was adopted to make the product affordable & alluring to consumers by guaranteeing them value for money.

The main aim of Amul is to provide quality products to the consumers at minimum cost.

The goal of Amul is to provide maximum profit in terms of money to the farmers.

Low cost of production of AMUL:- Milk production is scale insensitive and labour intensive. Due to low labour cost, cost of production of milk is significantly lower in AMUL. Moving consumers from loose milk to packaged milk and gradually move them up the value chain (tetra pack to beverages). Being exposed to a brand, it is natural for a customer to use more products.

1. Product Positioning Strategy
2. • India's first Pro-biotic Wellness Ice cream & sugar free delights for diabetics.
3. • Amul launches Fresh Paneer "free from harmful chemicals".
4. • Low priced Amul Ice creams made Kwallity Walls life hell.

Effective Segmentation Wide range of product categories caters to consumers across all market segments.

Eg:- Amul Kool is targeted at children, teenagers prefer Kool Café as it has a cool imagery associated with it. Segmentation is not as easy as in Curd and low fat products due to mixed audiences. Eg:- Ghee, Butter & Cheese In India, the most used spread is Ghee, then butter, cheese, low fat butter, margarin, cheese spread & mozzarella cheese.

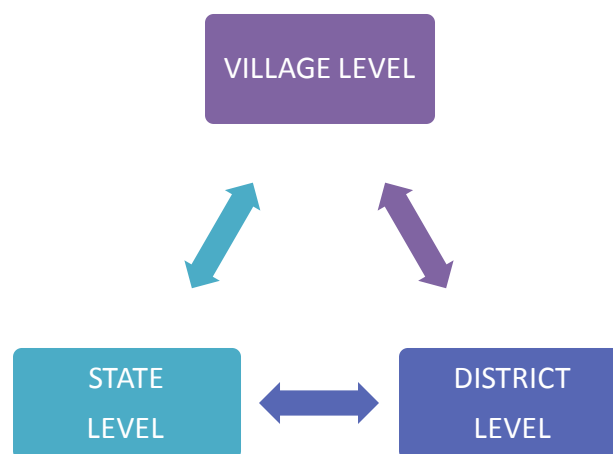
Changing the Retail Environment Striking out on its own with AMUL outlets or parlours to deliver consumers total brand experience. Product Repositioning Amul marketed bottled water named "Jaldhara" due to its less potential in the market and launched "Narmada Neer"

The three-tier "Amul Model"

The Amul Model is a three-tier cooperative structure. This structure consists of a dairy cooperative society at the village level affiliated to a milk union at the district level which in turn is federated into a milk federation at the state level. Milk collection is done at the village dairy society, milk procurement and processing at the District Milk Union and milk and milk products marketing at the state milk federation. The structure was evolved at Amul in Gujarat and thereafter replicated all over the country under the Operation Flood programme. It is known as the 'Amul Model' or 'Anand Pattern' of dairy cooperatives.

The main functions are:-

- Collection of surplus milk from the producers of the village and payment based on quality and quantity,
- Providing support services to the members like veterinary first aid, artificial insemination services, cattle-feed sales, mineral mixture sales, fodder and fodder seed sales, conducting training on animal husbandry and dairying,
- Selling liquid milk for local consumers of the village,
- Supplying milk to the District Milk Union.



FUTURE PLANS OF “AMUL” TO ACHIEVE THE PATH OF SUCCESS...

Amul's on a roll these days, with the Indian dairy industry going through what R.S. Sodhi calls a "golden phase." The brand has seen a compounded annual growth rate of 20% over the last five years and the supply of milk has been rising to meet demand, albeit with a steady increase in procurement prices, which suits GCMMF, since it is owned by producer co-operatives. "Our strategy can be summarized in three words - expand, expand, expand," says Sodhi. "We have set a turnover target of Rs 30,000 crore for 2018, which is very achievable. But first we need to invest in increasing milk procurement, processing capacities and distribution."

Amul's milk producer unions are putting their money where the milk is, with capital investments of Rs 3,000 crore. The Kheda district union recently inaugurated a new plant in Virar, near Mumbai, and is setting up another processing facility in Kolkata. The Sabarkantha district union has invested in Rohtak, while the Banaskantha union is investing in creating capacities in Faridabad and Kanpur.

While butter will continue to be made in Gujarat, Amul is decentralizing capacities for other value-added products. To market the increased volume, it is expanding the reach of Amul's distribution network, which has traditionally tended to be focused on the larger cities. "We want to be able to reach towns with a population of less than 20,000. After all, the same TV ads are seen there as in the cities. Disposable incomes are rising and people there can afford to buy an Amul ice cream cone or a bottle of Kool," says Sodhi.

After the big success of Masti buttermilk, Kool milk shakes - recently repackaged in coffee, as well as traditional flavours like elaichi, kesar, rose and thandai - are Amul's next big thing. Sodhi believes that it will be value added products like Kool, rather than plain milk, which will lead the way in rural markets. But dairy products require refrigeration and the biggest challenge to distribution in the hinterlands is extending the cold chain. Devendra Shah, chairman of Parag Milk Foods, which owns the Go brand, has been wrestling with this problem for some time and says: "There is demand, but the impediment is the high freight cost to this large geography, fractured cold chain and large number of retailers to be serviced in the chain."

As the market leader, Amul is set to lead the way. For one, it is investing in setting up new company-owned depots in smaller towns. For example, Kharagpur, which was earlier under Asansol, now has a depot of its own and so does Aurangabad, which was fed from Pune. Second, it has introduced a new layer in the distribution channel called a 'super distributor', who operates at district level and supplies to sub-distributors at the taluka level. "We have already appointed 250 super distributors, each with 50 subdistributors. Business from these areas has increased by 15% already," Sodhi.

On the procurement side, Sodhi believes an increase in profit margins for the dairy farmers is crucial to keeping up supply, especially in an industrialized state like Gujarat. "Dairy farming is still a back-of-the-house enterprise in our country, so the costs are not high. But the young generation of farmers needs to be motivated with adequate profits if they are to continue with this activity. They have many options, including industrial jobs. I think that will be a challenge as we go forward," he says.

Amul has come full circle. From selling village-procured milk to the cities, it is now selling value added dairy products back to the villages. It's a symbol of how rural India has changed and developed. Bharat, it seems, is getting a taste of India.

Corporate Social Responsibility, “The Amul Way”

Corporate social responsibility (CSR) has been defined as the “commitment of business to contribute to sustainable economic development working with employees, their families, the local community, and society at large to improve their quality of life, in ways that are both good for business and good for development.”

Indeed, a very tough task. Most businesses would certainly flounder in not being able to achieve at least one or many of those expectations. But AMUL has shown the way.

CORPORATE SOCIAL RESPONSIBILITY-THE AMUL WAY CSR-sensitive Business Philosophy To serve the interests of milk producers and To provide quality products to consumers as value for money. CSR-orientation To Distributors & Retailers CSR-oriented To Staff.

AMUL RELIEF TRUST A devastating earthquake hit Gujarat on 26th January 2001. The epicenter of the quake was located in Kutch district. GCMMF formed a specific organization named “Amul Relief Trust” in 2001 with a donation of Rs. 50 Millions for reconstruction of the school buildings damaged in the earthquake. The Trust reconstructed 6 schools damaged by the earthquake.

Green Gujarat Tree Plantation Campaign The milk producers of Gujarat Dairy Cooperatives are conducting mass tree plantation drive every year on Independence Day for last three years . The idea is "one member five tree (2009). The entire plantation activity is coordinated at all the three tiers of Anand pattern - at village, district and state level dairy cooperatives

CSR undertaken by Amul Encourages woman to participate in dairy co-op societies. To develop and enhance leadership skills and qualities among women. Amul's member unions organized three self managing leadership workshops at PRAJAPITA, BRAHMAKUMARIS, MOUNT ABU. 3100 women participated in this programme. Organization of AMUL YATRA in Anand .

Amul has been also implementation with TSC (TOTAL SANITATION CAMPAIGN) to improve the sanitation at village level. Their aim is to Complete the built up of 6882 toilets over 73 societies. They are also on the urge of providing interest free Loans to the Farmers.

GREEN GUJARAT TREE PLANTATION CAMPAIGN BY MILK PRODUCERS OF DAIRY COOPERATIVES

Amul Coops plant more than 311.98 lakh trees.

Milk Producer members of Gujarat Dairy Cooperatives- better known as AMUL have been celebrating the nation's Independence Day in a novel manner by planting lakhs of saplings across Gujarat and have taken up an ambitious plan to save the environment by planting trees, making India green and thereby reducing the effects of global warming. The milk producers of Gujarat Dairy Cooperatives are conducting mass tree plantation drive every year on Independence Day for last five years. In last five years (2007 to 2011) the milk producers have planted around 311.98 lakhs trees). The most striking feature of these entire programmes was that it has been initiated by milk producer members of the dairy cooperatives. The unique fact about the programme was that the milk producer members took up the oath to protect tree saplings till it survives and grows into tree.

Over the years, due to intensive agriculture and dairying various natural resources are getting consumed at faster pace in Gujarat state of India. The state level apex body of dairy farmers in Gujarat gave a serious thought in this direction and discovered a novel idea for giving back to nature. The idea was "one member one tree" plantation on our 60th Independence day - 15th August 2007. To put this idea in to the practice a design team constituting of representatives of member unions were formed. The team accepted the idea by heart and immediately decided to spread it among farmer members of village dairy cooperative societies. Then the idea was communicated to farmer members and they all welcomed it and enthusiastically agreed to implement the idea.

For smooth implementation of the idea, the design team chalked out the road map for various activities. Execution teams were formed at district union level to give final shape and put the plan in action. Village level coordinators were identified and they were trained to streamline activity of tree plantation. Various awareness materials were prepared. Through various communication media farmer members were made aware of benefits of tree plantation and tree plantation activity schedule

The entire plantation activity was coordinated at all the three tiers of Anand pattern - at village, district and state level dairy cooperatives. On 15th August, 2007, after the flag

hoisting ceremony, each member took an oath to plant saplings and ensure that they grew in to trees. Then individually they planted sapling on their own at their identified locations like their farm, near their home, on Farm bunds, etc. They have taken necessary care to ensure that this sapling survives and they also reported regarding the survival to village level coordinator and district milk unions after five months. In this way, 18.9 lakh trees were planted on 15th August 2007.

This was just the beginning. Henceforth, the Village Dairy Cooperative Societies of Gujarat as a mark of respect for our nation decided to conduct such event on every Independence Day and accepted 15th August (Independence Day) as a **"Green Revolution Day by Afforestation to Protect Mother Earth from Pollution, Climate change and Global Warming"**.

But all this required immaculate planning and execution. An action plan of tree plantation programme was drawn up months back in advance. After the identification of the chief coordinator for each district milk union, the organization of a task force for the programme was put in place. Roles and responsibilities were assigned to each member and area of operation allocated. After preparing the overall action plan, each union issued a circular to the Dairy Cooperative Societies regarding the programme and arranged meetings with the societies covered. At the village level, coordinators were identified in respect of the villages to be covered and the number of saplings required. Along with logistical arrangements direct contact was established with different agencies for receipt of saplings. Pointwise methodology for implementation of tree plantation programme on such a mass scale is as following.

In year 2009 and in year 2010, in mass tree plantation programme around 84.24 and 83.5 lakhs tree saplings were planted respectively. The programme was conducted on **"One member, Five tree"** basis. Further, this year 2011 around 72.6 lakhs trees were planted, the programme was carried out as per the same process and procedures followed in last year. **Hence, in last five years, milk producers of GCMMF planted around 311.98 lakhs tree saplings in 21 districts of Gujarat. By doing so, milk producers of Gujarat Dairy Cooperatives have shown their concern, awareness and commitment for betterment of environment.** Yearwise details of tree plantation and survival of tree saplings planted is as under.

| Sr. No | Year of tree plantation | No. of trees planted (in lakhs) | No. of trees Survived (in lakhs) | Survival percentage |
|--------|-------------------------|---------------------------------|----------------------------------|---------------------|
| 1 | 2007 | 18.90 | 11 | 58 |
| 2 | 2008 | 52.74 | 26 | 49 |
| 3 | 2009 | 84.24 | 38 | 45 |
| 4 | 2010 | 83.5 | 39 | 47 |
| 5 | 2011* | 72.6 | 34 | 47 |
| Total | | 311.98 | 148.122 | 47 |

This effort to provide green cover to the earth was also acknowledged when the state level apex body of Gujarat Dairy Cooperatives - **GCMMF received four successive prestigious "SRISHTI's G-Cube Award"-2007, 2008, 2009 and 2010 for Good Green Governance in the "Service Category"**.

Further, "Amul Green" movement has also been awarded by International Dairy Federation for best environment initiative in the "sustainability category" during the 4th Global Dairy Conference held at Salzburg Congress Center, Austria on 28th April, 2010.

It has been estimated that when one tree is cut, in monetary terms there is loss of Rs. 33 lakhs (Oxygen worth of Rs. 5.3 lakhs, Land Fertility of Rs. 6.4 lakhs, Rs. 10.5 lakh for reduction of pollution of atmosphere and Rs. 5.3 lakh towards Flowers / Fruits and habitation to birds - animals). But the benefits that accrue to mankind when a tree is planted cannot be measured in money and is priceless.

The producer members of GCMMF have really set an example for all the cooperatives and other institutions to turn India green in the era of Global warming and environmental crisis.

When 3 million dairy farmers of Gujarat have planted more than 311.98 lakh trees in just five years and are planning to plant more trees every year, they are doing an invaluable - truly Amul - service to the society.

In an era of global warming, Amul is contributing its share in making Gujarat lush green. In this way, the milk producers of Gujarat are ushering in a silent revolution of greening Gujarat.

“Amul” has Competitive sustainable advantage (CSA) over its competitors

- ❖ Amul's CSA lies in its procurement part ,the ability to collect 7 million liters of milk from 2.6 million formers, convert them into goods worth Rs 6 crore and distribute them to 5,00,000 retailers across country ,is not easy. No other dairy in India has such a sustainable procurement network.
- ❖ Managing the large scale supply chain of Amul which begins from milk producer and ends with supply to customer from retailer is very critical job. It requires lot of dedication and hard work from all members of the corporation and also distributors and retailers across country.
- ❖ Intelligent Marketing of Amul.
- ❖ One of the most conservative FMCG entities GCMMF-Spends a mere 1% of its turnover on the promotions.
- ❖ Amul butter girl is one of the longest run ad campaigns in the country for 41 years.
- ❖ Intelligent marketing of milk, ice cream and butter milk.
- ❖ GCMMF (AMUL) Beats Recession, Achieves, A Turnover Of Rs. 6700Crores (June 05, 2009)
- ❖ Entered in the Guinness Book of World Records for being the longest running campaign Ever.
- ❖ Providing a product that works as claimed, is accompanied by decent service, and is delivered on time.

ADVERTISEMENT DONE BY “AMUL” TO PROMOTE THERE BRAND.

In 1966, Amul hired Sylvester daCunha, then managing director of the advertising agency AS to design an ad campaign for Amul Butter. daCunha designed a campaign as series of hoardings with topical ads, relating to day-to-day issues. It was popular and earned a Guinness world record for the longest running ad campaign in the world. In the 1980s, cartoon artist Kumar Morey and script writer Bharat Dabholkar had been involved with sketching the Amul ads; the latter rejected the trend of using celebrities in advertisement campaigns. Dabholkar credited chairman Verghese Kurien with creating a free atmosphere that fostered the development of the ads.

Despite encountering political pressure on several occasions, daCunha's agency has made it a policy of not backing down. Some of the more controversial Amul ads include one commenting on the Naxalite uprising in West Bengal, on the Indian Airlines employees strike, and one depicting the Amul butter girl wearing a Gandhi cap.

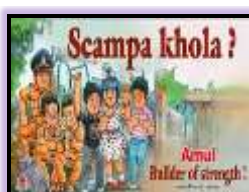
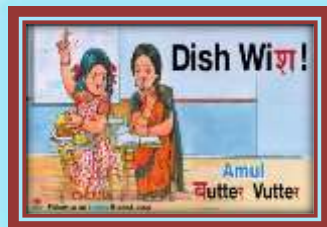
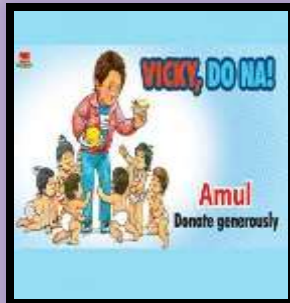
Its advertising has also started using tongue-in-cheek sketches starring the Amul baby commenting jovially on the latest news or current events. The pun in her words has been popular. The Amul ads are one of the longest running ads based on a theme, now vying for the Guinness records for being the longest running ad campaign ever.

Since 1967 Amul products' mascot has been the very recognizable "Amul baby" (a chubby butter girl usually dressed in polka dotted dress) showing up on hoardings and product wrappers with the equally recognizable tagline **Utterly Butterly Delicious Amul**. The mascot was first used for Amul butter. But in recent years in a second wave of ad campaign for Amul products, she has also been for other product like ghee and milk. She is probably one of the most enduring mascots in the world.

Amul being a perfect in Promoting there Products through various Campaigns, uplifting some or the other social issues, Issues which can create an awareness among the people about a particular topic is being picked up by ‘AMUL’.

For them promoting there brand is little more easy through media as such like being the Main Sponsors & Associate Sponsors for various Reality Shows & Programs.

SOME POPULAR HOARDINGS PUT FORTH BY AMUL.



Latest Amul hoarding pays homage to Dev Anand

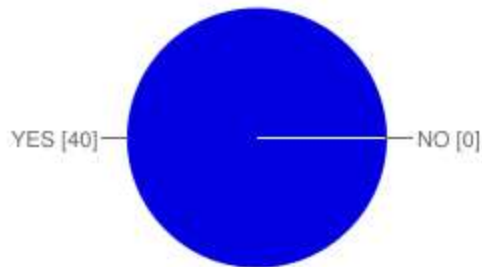


Known for its creative campaigns, this butter brand has yet again come up with something that touches your heart and soul

The recent Amul ad that pays tribute to the late legend has opted for a caption that's a famous song from his movie *Hum Dono* (1962). Summarising the vivacious veteran's life in just one line – *Main Zindagi Ka Saath nibhata chala gaya*, the creative team behind the campaign couldn't have come up with a better idea. As *Dev saab* has and always will be remembered as an evergreen person, the hoarding doesn't fail to mention the most prominent aspect of his personality, his liveliness, by labelling themselves as the 'evergreen butter'. The ad is sure to take you back to the black and white era, wherein everything was as soulful and indigenous as the hearty Dev Anand. We appreciate the brand's initiative of coming up with a concept that venerates the most exuberant man of Indian cinema without sounding buttery, however ironic it may sound. And the creative tinge in the poster makes it all the more interesting, just the way a typical Amul hoarding has been since ages.

Survey Questions.

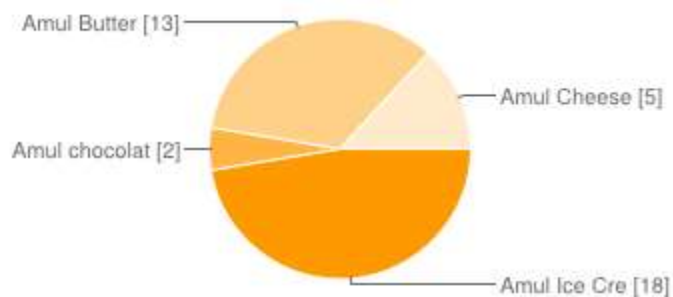
1. HAVE YOU EVER USED ANY OF THE AMUL PRODUCT?



YES 40 98%

NO 0 0%

2. Which Product Do You Prefer Mostly?



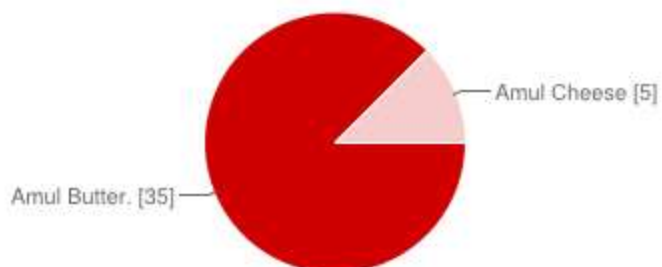
Amul Ice Cream 18 44%

Amul chocolate 2 5%

Amul Butter 13 32%

Amul Cheese 5 12%

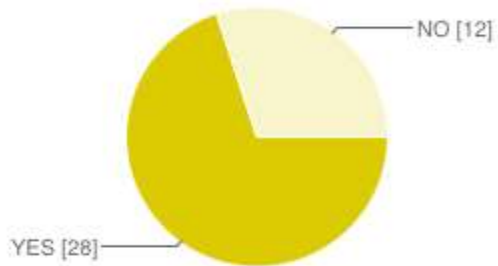
3. Which of the Following Product do you Feel is more Popular?



Amul Butter. 35 85%

Amul Cheese 5 12%

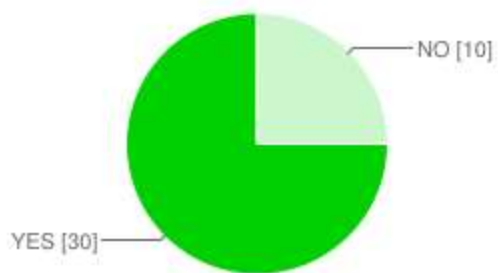
4. Do You Feel that Amul Ice Cream is Really the Best Compared to Vadilal & Kwality Walls?



YES 28 68%

NO 12 29%

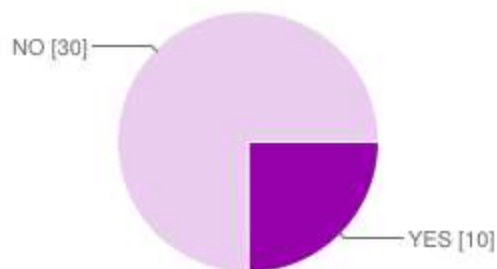
5. Have you ever visited Any of the Amul Parlour?



YES 30 73%

NO 10 24%

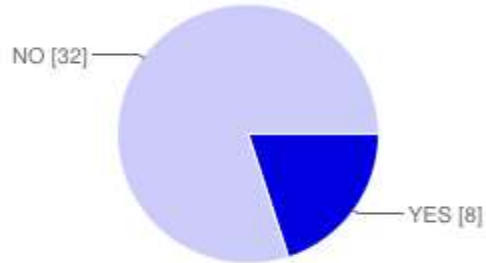
6. Have You ever gone through any of the Amul Campaign?



YES 10 24%

NO 30 73%

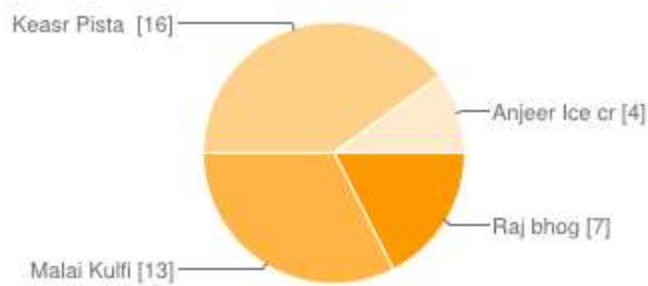
7. Have you ever tried AMUL UHT (ULTRA HIGH TEMPERATURE) Milk?



YES 8 20%

NO 32 78%

8. Have you ever tried the following royal treat range of Amul ice cream?



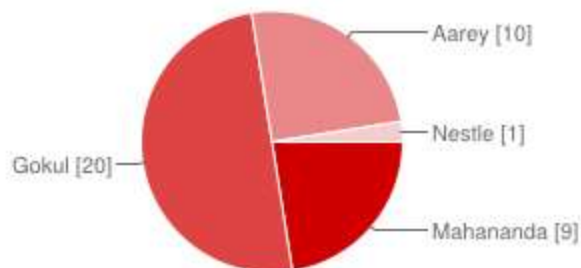
Raj bhog 7 17%

Malai Kulfi 13 32%

Kesar Pista 16 39%

Anjeer Ice cream 4 10%

9. Which is the Best Milk to Prefer After Amul



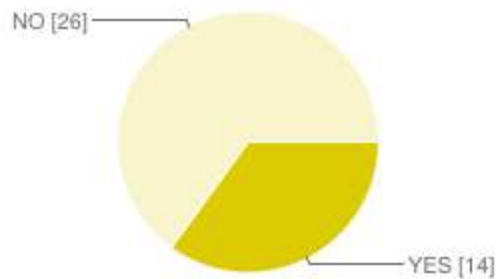
Mahananda 9 22%

Gokul 20 49%

Aarey 10 24%

Nestle 1 2%

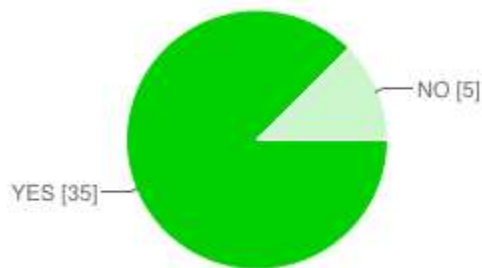
10. Do You feel that the Celebrities Should be Involved in Promoting Amul Products?



YES 14 34%

NO 26 63%

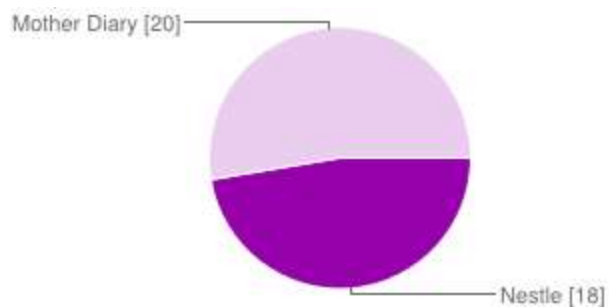
11. Do You Feel That The Amul Products Can Be Consumed Through All The Generation People?



YES 35 85%

NO 5 12%

12. Whom Do You Feel Is The Strong Competitor in Front Of Amul?



Nestle 18 44%

Mother Diary 20 49%

SUGGESTIONS & RECOMMENDATIONS.

Amul can venture out on new products like Toned milk, Condensed milk that can be used for sweets, Baby food products,

There are certain product like Amul basundi, gulab jamoon, chocolates etc which are not as popular as Amul ice cream. Amul must try to understand the cause of this through thorough market research and work on improving these products

Though Amul's hoardings are a huge success, it can penetrate even better in the rural areas by advertising through the media via cable channels and newspapers. Sponsoring shows in TV, sports events can be of great help.

Focus on retail expansion in Indian cities, towns and villages – increase branded Amul parlours to capture the consumer attention and keep the competition at bay.

Amul can venture into offering low-fat versions of its products as it would help capture the hearts of second and third generation Indians in US & Global Market.

Amul can venture out on new products like dairy based sweets, baby food products.

Salesmen should be given the responsibility to handle the retailer's grievances
Orders by the retailers should be executed in a proper manner to avoid irregular availability.
Promotion activities should take into consideration in two different ways:-

- a) Company should associate themselves with social events,
- b) Company should use electronic as well as print media for their advertisement.

There have been a lot of complaints about replacement policy of Amul. Amul should try to improve its replacement policy and make it somewhat liberal.

Innovative schemes like Privilege cards giving discount on successive purchases may be introduced to make a customer brand loyal to Amul.

CONCLUSION:-

GCMMF that owns Amul, Asia's largest milk brand realized that with the changing lifestyle & increased awareness about health issues, there has been a discernable shift towards health based drinks from carbonated drinks. To utilize the potential of flavoured milk, butter milk & other milk based beverages that have an age old tradition in India. By identifying the targeted teenagers & youth, who were biggest consumers of colas & aerated drinks. The New variants of the brand were advertised through major national channels with special focus on youth oriented TV channels like MTV & Cartoon Network. By identifying the trend & introducing variants, Amul has been emerged as the fastest growing brand in non-carbonated soft drinks category. Compared to the distribution network of other brand of beverages to the Amul, it has to improve their network properly and make product available to the customer and also handle the customer problem if any. Company has to maintain a good relationship with the retailers by giving better margin, schemes/discounts.

Amul plans to be a leader in food business. This 3458 crore co-operative is planning to enter in restaurants, ready-to-eat curries etc. it also plans to launch ready to drink coffee and tea. The plan of this co-operative is to make Amul, India's best known food brand and also to garner a sizable marketplace in 30 countries wherein its products are exported to. The brand should not be known in milk, butter & cheese but as a food brand. Its numerical target, a turnover in excess of Rs. 10000 crore by 2018.

In words of Dr. Verghese Kurien, chairman (GCMMF). Amul is a brand that is trustworthy of 1000 million Indians. Why should it be seen only as a brand label for butter? Hope, its competitors are listening!

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