

Consumer Behavior and Comparative Analysis of AMUL products

Author 1 : Mr. Abhishek Singh | Master of Business Administration

Author 2 : Dr. Ajay Singh | Assistant Professor | Master of Business Administration
ABES Engineering College

Abstract

This paper describes the case study of the dairy cooperative, AMUL, in western India, which has developed a successful business model in the large emerging economy. It was primarily responsible, through its innovative practices, for India to become the world's largest producer of milk. The paper draws various insights from AMUL 's experience that can be useful to cooperatives around the world as well as to companies involved in doing business in broad emerging markets such as India and China. Most of these economies have underdeveloped markets and fragmented supply bases. Market failures are high for many of these small producers. On the other hand, the size of both markets and suppliers is very large. As a result, firms that identify appropriate business strategies that take these characteristics into account are more likely to succeed in these markets. The following is a key lesson from AMUL 's success: companies in such environments must simultaneously build markets and suppliers to synchronize demand and supply

planning, establish or become part of the producer network (i.e., cooperatives in this case) to achieve economies of scale, concentrate on operational efficiency to achieve cost leadership in order to allow for a low price strategy. In addition, a central focus is needed to bring together a diverse element and a long-term approach. Different industrial sectors may be at different stages of development in emerging economies. For certain industries, any of the environmental features alluded to above may not be preserved. A subset of approaches adopted by AMUL would still be very useful, however. Therefore, companies that plan to target large undeveloped markets or intend to take advantage of a broad but limited supplier base will still benefit.

Introduction

In the year 1946 the primary milk association was built up. This association was begun with 250 liters of milk for every day. In the year 1955 AMUL was built up. In the year 1946 the association was known as KAIRA DISTRICT CO-OPERATIVE MILK PRODUCERS' UNION. This

association chose the brand name AMUL in 1955. The brand name Amul signifies "AMULYA". This word got from the Sanskrit word "AMULYA" which signifies "Extremely valuable". A quality control master in Anand had proposed the brand name "AMUL". Amul items have been being used in a large number of homes since 1946. Amul Butter, Amul Milk Powder, Amul Ghee, Amulspray, Amul Cheese, Amul Chocolates, AmulShrikhand, Amul Ice cream, Nutramul, Amul Milk and Amulya have made Amul a main food brand in India. (The absolute deal is Rs. 6 billion out of 2005). Today, Amul is an image of numerous things like of the great items sold at sensible costs, of the beginning of a tremendous co-employable system, of the triumph of indigenous innovation, of the advertising wise of a ranchers' association. Furthermore, have a demonstrated model for dairy advancement (Generally known as "ANAND PATTERN"). MISSION : "We at GCMMF try to fulfill the taste and healthful necessities of the client of the world through greatness in the advertising by our submitted group. Through agreeable systems administration, we are focused on offering quality item that gives best an incentive to money ."The region association was additionally structure to gather the milk

from such town co-usable social orders and to sell them. It was likewise settled that the Government ought to be approached to purchase milk from the association. In any case, the govt. didn't appear to help ranchers using any and all means. It gave the negative reaction by turning down the interest for the milk. To react to this activity of govt., the ranchers of Kaira locale went on a milk strike. For 15 entire days not a solitary drop of milk was offered to the dealers. Thus, the Bombay milk plot was seriously influenced. The milk official of Bombay at that point visited Anand to evaluate the circumstance. Having appeared the condition, he chose to satisfy the ranchers request. In this way, their agreeable associations were constrained at the town and region level to gather and sell milk on a helpful premise, without the mediation of Government. Mr. VergheseKurien indicated primary enthusiasm for building up association who was upheld by ShriTribhuvandas Patel who lead the ranchers in framing the Co-employable associations at the town level. The Kaira area milk maker's association was hence settled in ANAND and was enlisted officially on fourteenth December 1946. Since ranchers sold all the milk in Anand through a helpful association, it was usually

set out to sell the milk under the brand name AMUL.

At the underlying stage just 250 liters of milk was gathered each day. In any case, with the developing consciousness of the advantages of the helpfulness, the assortment of milk expanded. Today Amul gather 11 lakhs liters of milk each day. Since milk was a transient item it gets hard to save milk verdure longer period. Other than when the milk was to be gathered from the far spots, there was a dread of ruining of milk. To conquer this issue the association thoroughly considered to build up the chilling unit at different intersections, which would gather the milk and could chill it, to save it for a more drawn out period. Along these lines, today Amul has in excess of 150 chilling communities in different towns. Milk is gathered from right around 1073 social orders. With the money related assistance from UNICEF, help from the govt. of New Zealand under the Colombo plan, of Rs. 50 million for plant to make milk powder and spread was arranged. Dr. Rajendra Prasad, the leader of India established the framework on November 15, 1954. ShriPandit Jawaharlal Nehru, the executive of India announced it open at Amul dairy on November 20, 1955. The Union looks after policy formulation,

processing and marketing of milk, provision of technical inputs to enhance milk yield of animals, the artificial insemination service, veterinary care, better feeds and the like - all through the village societies. Basically, the union and cooperation of people brought Amul into fame i.e. AMUL (ANAND MILK UNION LIMITED), a name which suggest "THE TASTE OF INDIA".

Literature Review

Since the turn of nineteenth century, Cooperatives have existed as predominant types of association in the dairy business around the globe. At times they have assumed the job of creating newborn child industry while at different occasions they have been utilized to reinforce frail creation bases in a situation where showcase disappointments will in general be higher for minor producers. In some her cases, a system of little makers has sorted out themselves to all the more likely market their items. The executives of these cooperatives have additionally prompted some intriguing administrative bits of knowledge for administrators with regards to rising just as created economies. Enormous rising economies, e.g., India and China, have complexities that extend from improvement of business sectors (where the

biggest fragment of populace is the one which has low buying capacity) to joining of minimal effort providers who are transcendently exceptionally little. For firms that seek to direct considerable business in such markets, such complexities must be perceived and afterward survive. The test is to comprehend the linkages among business sectors and the general public. This would likewise require advancement of another plan of action that enables a firm to develop in such conditions. This paper is around one such effective model. The Kaira District Milk Cooperative Union or AMUL in India is a case of how to build up a system of firms so as to beat the complexities of a huge yet divided market like those in developing economies by making an incentive for providers just as the clients. AMUL has driven the milk dairy upheaval in India that has now developed as one of the biggest milk makers on the planet.

In this article we will depict the advancement vision that prompted the synchronous improvement of the market and flexibly side through a procedure of social turn of events and training at AMUL. Obviously, usage of this vision a serious situation and keeping up continued development and benefit requires improvement of intensity on a few

measurements and operational viability. This article gives bits of knowledge into the executives of enormous flexibly chains by adjusting and coordinating an assortment of procedures and strategies. This incorporates building systems, creating trust and qualities in the system, growing reasonable instruments for sharing advantages over the gracefully chain, coordination for operational adequacy, development and new innovation for picking up intensity. It is important that these victories were accomplished inside the system of a system of cooperatives sorted out in a various leveled way. There are numerous exercises in AMUL's prosperity for the agreeable division as well as for firms who plan to work together in developing markets.

Objective

- To know consciousness of individuals towards Amul items.
- To know the inclination of Amul items with correlation with other serious brands.
- To know the variables which influences purchaser's purchasing conduct while buy milk.
- Swot examination of Amul and its rivals.

- To examine different factors, for example, quality, value, accessibility, inclination and so forth.
- Thoughts regarding to expand the offer of the "Amul"
- Understanding AMUL Brand an incentive in the present and future market.

Research Methodology

The research methodology is the basic procedures or techniques used to classify, select, process and evaluate information on the subject. It includes following terms :

Research Problem :

- Seek the general perception of consumer towards Amul Milk.
- To know the consumer psyche and their behavior towards AmulMilk .
- To know the relationship of sales with the advertisement.
- To know awareness of people towards Amul Milk.
- To know which advertisement tool is mostly preferred by people.
- To know the preference of Amul Milk with comparison to Other competitive brands .

- To know the factors which affects consumer's buying behavior to purchase milk.

Research Design : Descriptive research (A Research design specifies the methods and procedures for conducting a particular study. It is a map (or) blue print to which the research is to be conducted. Descriptive research design has been considered as a suitable methodology for present study and for data analysis).

Sampling Design : Convenience sampling (The sampling design used was Convenience sampling, which is a non-probability sampling method. The convenience factors were the availability and approachability of the respondents).

Population : A population is usually a broad number of individuals or artifacts that is the main subject of a scientific inquiry. In this research, population are those who uses dairy products.

Tools used : Pie and Bar-Graph Chart

Sampling size :50

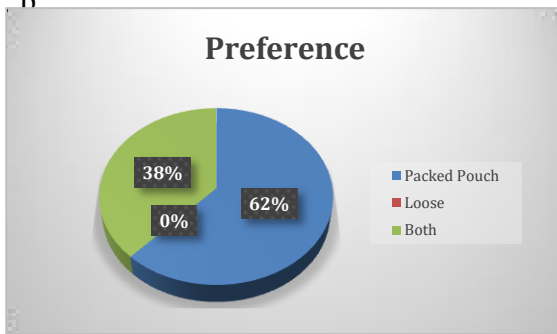
Method : Interview through questionnaire

Scale: Continuous and Likert scale.

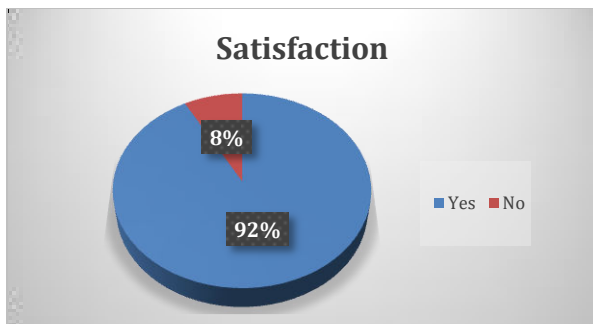
Data Analysis and Interpretation

The collected data were not easily understandable, so I like to analyze the collected data in a systematic manner and interpreted with simple method. The analysis and interpretation of the data involves the analyzing of the collected data and interpretation it with pictorial representation such as bar charts, pie charts and others.

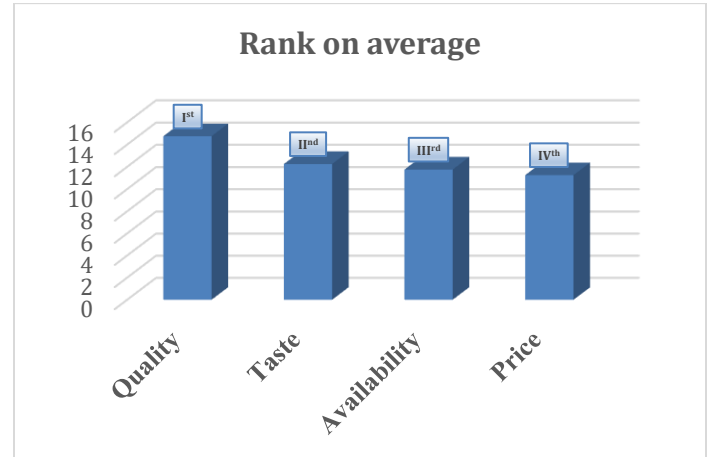
1. Which dairy product do you



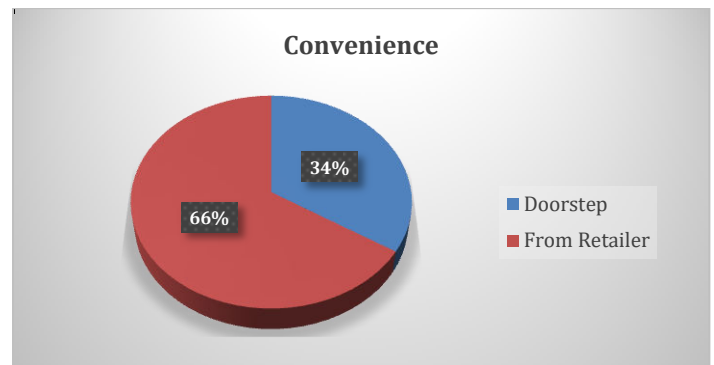
2. Are you satisfied with the dairy product you are consuming?



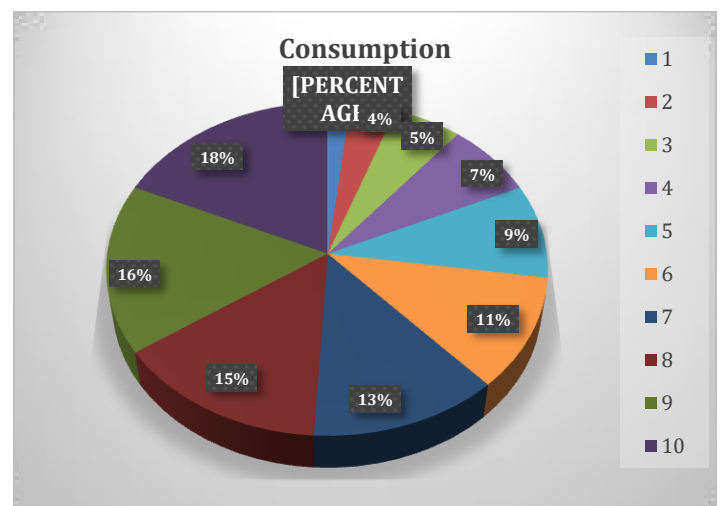
3. What do you like in these products most “Quality, Availability, Price or Taste”?



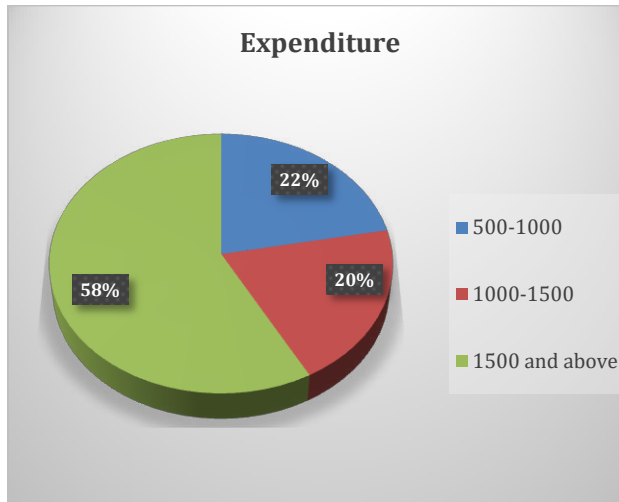
4. Do you get milk pouch at _____.



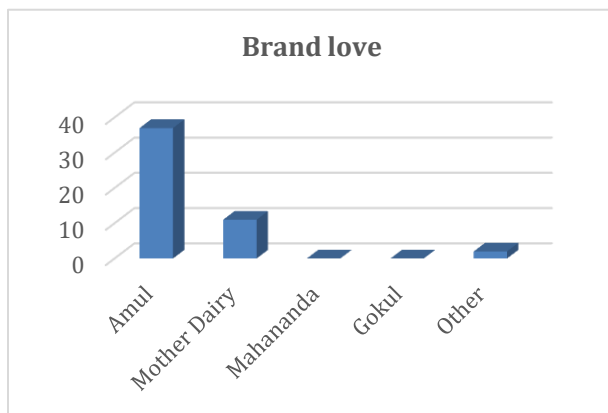
5. What is total consumption of milk in litre/day?



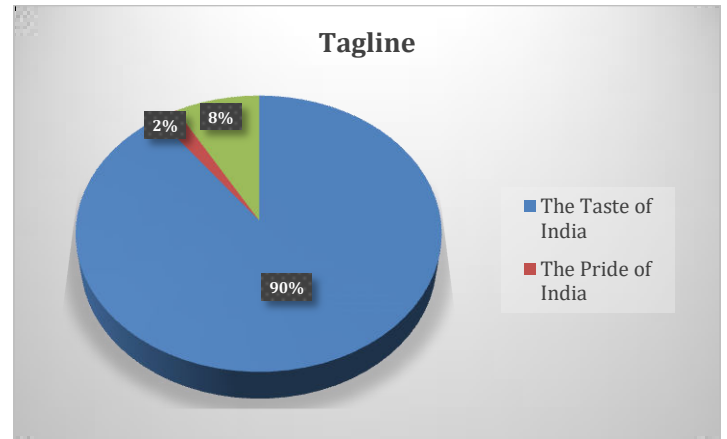
6. What is your monthly expenditure on milk (in Rs.)?



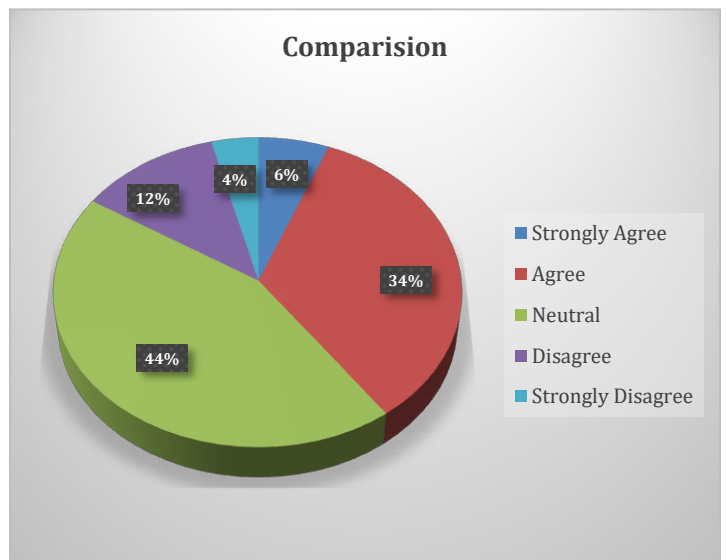
7. In pouch milk which brand do you prefer?



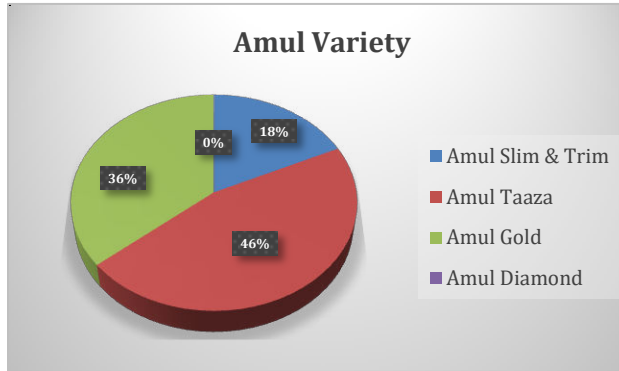
8. AMUL tagline is "....."



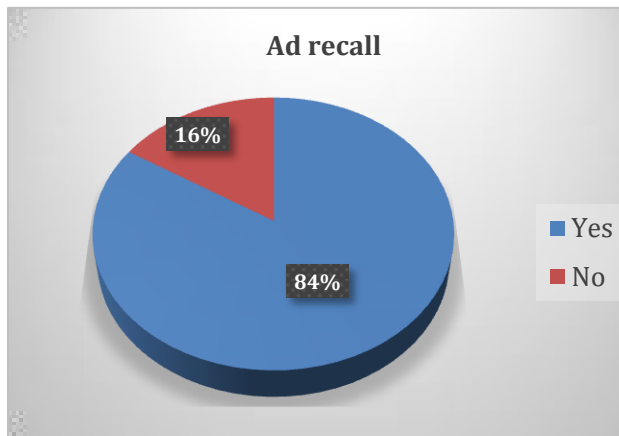
9. Do you think the price of the product is low compared to competitor's product?



10. If you buy AMUL milk pouch which pack you purchase?

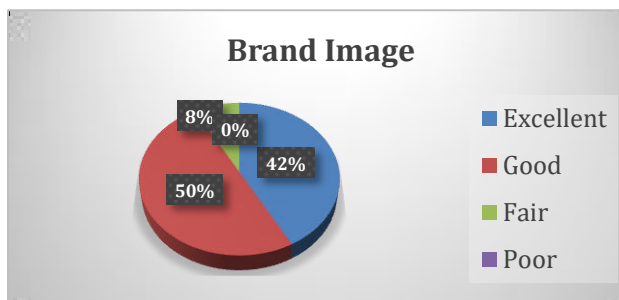


11. Can you recall AMUL advertisement ?



12. Consumer’s opinion towards AMUL

Products :



Results :

- Over 62% people chooses pouch packets and total of 92% are satisfied with dairy products.
- Quality liked most, proceeded by taste , availability and price respectively.
- Daily consumption of milk is upto 3 liters for over 65% of peoples.
- Amul is preferred most by 74% and proceeded by Mother dairy (22%).
- 88% recalls the Amul tagline and over 84% recalls its advertisement.
- Amul Gold purchased by 34% followed by AmulTaaza (46%).
- Over 82% liked the service of Amul products.

Limitations :

- Time frame required was not enough to survey a greater number of outlets.
- The Pandemic “Covid’19” drops the quality of research.
- Lack of research experience.

- Convenience Sampling provides little-bit homogeneous results.

Conclusion and suggestions :

- It is found that Amul has a strong brand value in the market and it increases rapidly through its advertising.
- Amul focus on Advertising , Quality and customer service which makes it a chief brand in dairy industry.
- Competitors like mother dairy focus on availability , thus they attracts only existing customers and narrowing their captured market.
- Amul should provide doorstep facility which is preferred from survey.
- The demand of Amul products is higher than its supply which impose customers to buy competitors' products.

Reference :

There are following links which had been used in preparing this report :

BOOK: Philip Kotler. Marketing

Management : Pearson, Noida : 2016

WEBLINKS : In finding Background of the company , reports and its product , following

links had been used :

i. Google, www.google.co.in , Introduction, literature and data analysis, 04/2020

ii. Google, www.wikipedia.com , Introduction and history, 04/2020

iii. Google, www.amul.com, Company details, 04/2020

iv. Google, www.marketresearch.com , Competitors analysis, 04/2020

v. Google, www.dairy.com , Industry Profile, 04/2020

vi. Google, <https://forms.gle/8HiRuZuBfLXRMeYw6> , Survey link, 04/2020