

“THE SYSTEMATIC STUDY OF AMUL MARKETING STRATEGIES”

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ABSTRACT

Amul is one of the respected and best brands in India. Researcher attempted to present this research paper only for accumulating the marketing and strategies used by Amul. The Marketing strategy of Amul covers various aspects of the business right from segmentation and targeting to the overall mission and vision of the company and the various parameters which the company executes to become the top brand that it has in the market.

Key Words: AMUL, Strategies, Positioning, Co-Operative.

Objectives of the Study

- The study would analyze the product positioning Strategies of AMUL.
- The study aims to find out reasons behind running successful cooperative business.

Significance of the Study

- The study would helpful for the student to know the efficiency of the various business strategies.

Research Methodology

This research paper is made by reviewing the secondary data from newspaper article and various online journals.

Introduction and History

Gujarat Co-Operative Milk Marketing Federation (GCMMF)

- Amul began the dairy cooperative movement in India and formed an apex cooperative organization, Gujarat Co-operative Milk Marketing Federation Ltd. (GCMMF), which

today is jointly owned by some 2.2 million milk producers in Gujarat, India. Amul was formally registered on December 14, 1946.

- The brand name Amul, sourced from the Sanskrit word Amoolya, means priceless. It was suggested by a quality control expert in Anand. Some cite the origin as an acronym to (Anand Milk Union Limited). The Amul revolution was started as awareness among the farmers. It grew and matured into a protest movement that was channeled towards economic prosperity

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- **Product:-** Tracks consumer needs & their changing lifestyles, & accordingly develops products to suit their needs. Product quality plays a paramount role & so does packaging.
- **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.
- **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.
- **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 & enjoy the trust of 1000 million households. Thank 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 spends 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.

Marketing strategy adopted by AMUL

- **Segmentation:** The segmentation of Amul is the mass population and in general, you will find people of all different age groups and demography enjoying Amul products. This is because Amul is not only present in Ice cream, but also in Milk, Butter, Cheese and other such products.
- **Targeting:** The target audience is the regular middle class people. This is because higher end customers do have a lot of high end products as an alternative in ice cream.

However, for other products like Butter and cheese, both high end and low end customers is the target.

- **Positioning:** In terms of positioning, Amul is the top in mind positioning, because it is the first brand which comes in mind when someone is talking of Ice cream, Milk, Cheese, Butter or any other milk base product.
- **Competitive advantage**– There are two major competitive advantages of Amul over other brands. First and foremost is the supply chain. Because of the large numbers of dairy suppliers, Amul has a tremendous strength and reliability in its supply chain. Hence it is able to produce such high volumes. The second competitive advantage is the wide product portfolio due to which it can run Amul Shoppe’s and also have its products present in retail.
- **BCG Matrix**– When we plot the BCG matrix, Amul has certain products which are stars whereas others are cash cows. And in fact, Amul chocolates are question marks because they have very low market share in a growing market. However, when compared with the same type of product, then Amul has a high market share. Thus, these products are stars for Amul.
- **Distribution strategy**– Amul concentrates on breaking the bulk. It supplies in huge amounts to its C&F, who is required to have the right arrangements to store Amul products in bulk. Thus, in the marketing strategy of Amul, distribution is another strength of the brand.
- **Brand equity**– Because of the excellent products, the top of the mind positioning, the fantastic distribution and supply chain channels and finally the point of purchase branding and advertising of the Amul girl, Amul finds itself in a very strong position where its brand equity is concerned
- **Competitive analysis**– Amul has some good competitors who have entered the market in the last decade and growing strong steadily. Most of these ice creams entered regionally but then held on to the regional market share. However, the competition in Butter and Cheese and other dairy products is far lesser.
- **Customer analysis**- The typical customers of Amul belong to the Sec B and Sec C segment wherein they are either middle class or lower class. Amul in general uses mass marketing and therefore it targets these 2 classes majorly.

Conclusion

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In the present research paper a relationship between the designs of an organization with its operational efficiency indicators has been examined. It was found that these indicators play a very important role in the success of the organization. The Amul brand position is captured with efficient utilization of various marketing strategies.

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