Selling is the heart of the marketing task. Selling in business mans the transfer of ownership of goods and services to a buyer in exchange for money. The selling concept holds that Consumers, if left alone, will ordinarily not by enough of the organization’s products. The organization must therefore undertake an aggressive selling and promotion efforts. Most firms practice the selling concept when they have overcapacity. Their aim is to sell what they make rather than make what the can sell. In modern industrial economies, productive capacity has been built up to a point where most markets are buyer market and sellers have to scramble hard for customers. Prospects are bombarded with television commercials newspaper ads, direct mail, and sales calls. At every turn, someone is trying to sell something. As a result, the public identifies marketing with hard selling and advertising. Selling is “one method of promotion and promotion is only a part of the total marketing programme.” Distribution is the market coverage i.e. the retailing and wholesaling structure the channels used to get the product to the market.
“Selling comprises all personal and impersonal activities finding, securing and developing a demand for a given product or service and in consummating the sale of if.”

“Selling is generally concerned with the plans and tactic of trying to get the consumers to exchange what he has (money) for what you have (goods/services)”2.

“A channel of distribution, or marketing channel, is the structure of intro-company organization unit and extra-company agents and dealers, wholesale and retail through which a commodity, product or services is marketed.”

“The course taken in the transfer of the title to a commodity constitutes its channel of distribution. It is the route taken by the title to a product in its passage from its first owner, the agricultural producer, or manufacturer, as the case may be, to the last owner, the ultimate consumer or the business user.”3

Sales Organization:

Sales organization consists of human being or persons working together for the effective marketing of products manufactured by the firm or the products purchased for resale. Sales organization co-ordinates the efforts of members of a group to bring about a desirable result. The sales organization provides the vehicle for
making decisions on planning, organization election and training of salesmen, their motivation, directing and controlling them. It also provides vehicle through which these decisions are implemented. Sales organization is the part and parcel of the overall organization structure. It is the sub-system of the super system. It is the structural segment of a business organization which is well planned and coordinated so that the efforts of the persons can be coordinated for attaining best results, economic, social for individuals and group.4

“A good sales organization is one where in the functions or departments have each been carefully planned and co-coordinated towards the objective of putting the product in the hands of the consumers—the whole effort being efficiently supervised and managed, so that each function is carried out in the desired manner.”5

**Importance of Sales Organization:**

“Sales are the life blood of business.” Sales organization is parcel of a business firm. All the departments are carefully planned in a good sales organization. Sales organization is the hub of sales activities of the firm. It is universally established a fact today that sales are the life-blood of a business. It is so because, sales are the avenues of revenue, symbol of
efficiency and are self-generating with a push to start with. This life-blood has value only when it is kept warm and this standard warmth is kept up by the organization a unique mechanism. “A sales organization is like a power station sending out every, which is devoted to the advertising and selling of particular lines; and there is a tremendous waste of energy between the power station and the points where it reaches the consumers. Therefore, there arises the necessity of organizing. The sales department.” 6 As long as the firm is small there is no need or importance or sales organization. But, if the firm expand or is big like Pradeshik cooperative dairy federation as there are lots of selling compositions. So, sales organization plays and very important role in Pradeshik cooperative dairy federation.

**Sales Policies:**

A policy may be defined as “a line or course of action to b followed over a considerable period of time usually for years together.” Every one who sells must have or determine a sales policy and those who do not are swayed in their decisions by the exigencies of the moment instead of being guided by a pre-determined code to which they formulated led and executed. Frequently a policy or objective is to hold one’s place in the market. A sales policy is laid down as the basis and
for the guidance of the selling operations of a business. The sales policy also regulates the relationships between the business and distributors and the public. When, therefore, the policy is clearly defined, the sales Manager’s staff know what is their objective and what is expected of them; wholesalers, retailers and the public also recognize that the business is trading in a certain way and offers them certain services on clearly obtained terms.7

**Formulation of Sales Policies:**

The formulation of a sales policy is a serious matter since on it depends very largely the success or failure of the business. Sales policy has to cover every aspect of marketing; advertising, sales promotion, establishment of distribution channels, selection and training of salesmen, design, range and price of products, terms of sale, after-sales service, etc. Sales policy must plan completely for all these aspects with all their implications and their interrelationships. Either the top executives or the owner of the business himself take part in formulating major policies. Some of the concerns appoint committees to determine policies. Members of these committee can supplement the information of the chairman, can criticize and evaluate the proposals coming to it, and consider the different angles of these problems. As far as possible, policies should be based on
facts. However, since policies have to do with the future, it is impossible to have all the needed facts. Facts may be obtained from the records of the company, from published sources, from the observations & experiences of the executives or from the reports of research men in or out of the company. Research is being used more and more to obtain the facts which serves as the basis of policy formulation."

**Methods of Distribution:**

With the class and geographical extent of the market settled, and the ideal price determined, there remains to be answered the important question of how to get the goods from the factory, or the warehouse, into the hands of the consumer. There are three methods in use either separately or in combination-

1. Through wholesalers to retailers to consumers.
2. Through retailers to consumers.
3. Direct to consumers.

Distribution channels are also to a greater or lesser extent channels of information from maker to consumers. Obviously, much of this giving information comes under the heading of advertising and sales promotion, undoubtedly; however, a lot of information reaches the buyer through the actual individual from
whom he buys. It is therefore a real factor in the selection of distribution channels to ensure not only the goodwill which will encourage the passing on of information to the potential consumer but also the completeness and accuracy of the information itself.

Decision Making for Channels of Distribution:

Channel decisions are among the most critical of marketing decisions because channels and distribution effect product, price and promotion decisions. Channel decisions are not always made prior to other marketing decisions, but they exercise a powerful influence on the rest of the marketing mix. Another significant aspect of marketing channels is that relationship among channel members (producers, wholesalers and retailers) usually involves relatively long-term commitments. While prices usually can be changed and producers may have considerable control over products and promotion, marketing channels are less flexible. There are legal commitments to intermediaries, and replacing or bypassing them requires extra botheration, efforts and responsibility. Therefore, the decision has to be taken with caution.
Selling and Distribution System of P.C.D.F.:  

One of the main objectives of this federation is to sell milk and milk product in urban areas. Milk and Milk Products of federation are not sold in villages. Hence, federation selling system is city oriented. There are two main reason behind selling the milk and milk product in city. First one is that city population is centralized. So in limited areas only. A big market is found. Second one is that, generally in villages milk cattle are nourished by farmers and this type of nourishment is not found in cities. City population has to depend upon private milk businessmen for milk necessity. Urban consumers are in relief due to the federation system. Dairy federation selling and distribution system are divided into following.

1. General consumer of state.
2. Another dairy union of state.
3. Outside consumer of other state.
4. Government institutions.
5. Others.

These details are discussed in brief in this chapter.
1. General consumer:

General consumer is one of the most important parts of selling of milk and milk product of P.C.D.F. As it is clear from the above discussion that federation main objectives is to fulfill the needs of urban consumers of milk and milk product. These products are sold by the name of parag brand.

Dairy Union helps are taken to provide milk and milk product to general consumer by federation. In other words, selling of milk responsibility is on dairy unions. For this, agents are appointed according to necessity in urban area. These agents are retailers’ seller of milk. Commission is given to agents for selling the milk. Dairy unions are award for the selection of agents. Private businessmen are not appointed as an agent. Supply of milk and milk products to milk agents for its area according to the demand of that area. And general consumer’s purchases milk according to their necessity from these agents.

Every agent’s demands for milk and milk product every morning. This demand is done by a “demand letter”. Through which demand is determined for the same day evening and next day morning. And then next morning another demand letter is given. This demand letter is sent to dairy union by a person who rehabilitates
the milk. Agent receives milk and milk product on the bases of demand letter. Milk comes to agent in morning and evening both. But milk products comes only in evening dairy unions transfer the milk and milk products to agents milk selling center by its own transport. It dairy union transport is not able to reach agents milk selling center then expenses met by agent to send the milk to the milk selling center is beard by dairy unions.

Selling price 20 paisa per liter rate is discount, given by the dairy union to agent and this 20 paisa per liter is the profit of agent. And in same way discount is given is milk product also upto a fixed rate. Material is provided by dairy union to keep milk and milk product which is returned after. Before opening and milk center inspection is done by dairy union whether that place is suitable or not.

2. Another Dairy Union of State:

It should be known that there is lots of flexibility in supply of milk. Supply of milk differs from one area to another area. Due to this dairy plant capacity is effected along with this supply level is also effected. In this type of situation milk and milk products are purchased by surplus laving milk union. In this way, they sell each other. 10-15% sale is done by this way.
3. **Consumer outside the State:**

Generally liquid milk is not sold to consumer outside the state but milk product like Ghee, Butter, Milk powder etc. are sold. For this work federation has established center is Calcutta and Delhi with the help of these centers milk products are sold outside the states.

4. **Government Institutions:**

It is and universal truth that dairy federation sales a qualitative milk. Different qualitative milk is kept for supply of necessary different consumers. Hence, dairy federation’s sales milk to hospitals also. In this way dairy federation sales milk according to necessity to other Government institution also. This institution believes that dairy liquid milk maintains its standard.

5. **Other:**

Generally, at time of functions more milk is needed. Who are in need of more milk they give the information to dairy and dairy supply them, according to the need. Not only this, dairy provides those qualitative milk only which is asked to be provided. In this way, also dairy sales it milk and milk products.

**Total Sales of P.C.D.F.:**

Table 4.1 shows total sale of Pradeshik cooperative dairy federation. It is clear by analyzing table 4.1 that
federation sale is increased. But in between the period of study from 1990-91 to 2002-03 it decreased to 2 times. But increasing and decreasing rate is not equal, sometimes it increases and then sometime it decreased. In year 1990-91 federation total sale was approximately 7211 lakh but it decreased in 1991-92 to Rs. 6334 Lakh. It reduced to 12% in 1991-92 Again in 1992-93 it reduced to 45% in comparison to previous year that is Rs. 3462 lakh. Then in 1993-93 it increased to 32% that is Rs. 4577 lakh.

Table 4.1: Total Sale of P.C.D.F.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Sale (in Rs. Lakh)</th>
<th>% inc/Dec</th>
<th>Index No. (1990-91)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-91</td>
<td>7210.70</td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>1991-92</td>
<td>6332.32</td>
<td>-12.15</td>
<td>88</td>
</tr>
<tr>
<td>1992-93</td>
<td>3462.42</td>
<td>-45.34</td>
<td>48</td>
</tr>
<tr>
<td>1993-94</td>
<td>4576.86</td>
<td>32.19</td>
<td>63</td>
</tr>
<tr>
<td>1994-95</td>
<td>4429.14</td>
<td>-3.22</td>
<td>61</td>
</tr>
<tr>
<td>1995-96</td>
<td>6391.91</td>
<td>44.31</td>
<td>89</td>
</tr>
<tr>
<td>1996-97</td>
<td>7092.61</td>
<td>10.96</td>
<td>98</td>
</tr>
<tr>
<td>1997-98</td>
<td>7443.69</td>
<td>4.95</td>
<td>103</td>
</tr>
<tr>
<td>1998-99</td>
<td>7911.33</td>
<td>6.28</td>
<td>110</td>
</tr>
</tbody>
</table>
1999-2000  |  6313.43  |  -20.19  |  88  
2000-2001  |  4193.35  |  -33.58  |  58  
2001-2002  |  3906.00  |  -6.85   |  54  
2002-2003  |  3838.38  |  -1.73   |  53  

Source: Office of P.C.D.F., Lucknow

But again in 1994-95 it reduced to 3% but less reduction in total sale of federation in comparison to year 1992-93. Because total sale of this year was Rs. 4429 lakh. But after this there was increase in sale in 1995-96, 1996-97, 1997-98, and 1998-99 gradually to 44%, 11%, 5% and 6% then again it started decreasing in continuous trend that from 1999-2000 to the year 2002-2003. In 1999-2000 it reduced to 20% that was Rs. 6313 lakh, in 2000-2001, 34% that was Rs. 4193 lakh. In 2001-2002, 7% that was Rs. 3906 Lakh but in 2001-2002 decreasing rend of total sale of federation was reduced in comparison to previous year that was in 200-2001. Again in same reducing trend in comparison to previous year it reduced to 2% in 2002-2003 upto Rs. We come to an conclusion that it is reducing but again it covered the total sale in 2002-2003 by reducing upto 2% only.
Local Daily Milk Sale:

Milk is sold by federations established centers in Kanpur, Lucknow, and Delhi etc. There is an important progress in selling milk on the bases of per day milk sale. Table 4.2 shows the per day milk sale of P.C.D.F. It is clear by analyzing Table 4.2 that from the year 1990-91 to year 2000-2003. There was increase of 2 times. In the year 1990-91 per day milk sale was Rs. 299 thousand with in the period of two years it increased to 12% in this way, per day sale increased to Rs. 351 thousand liters. This way increased up to the Year 1994-95. But in comparison to previous year it has been reduced its sale to 70% that was Rs. 376 thousand Liter.
Table 4.2: Milk Sale per Day of P.C.D.F. (Thousand)

<table>
<thead>
<tr>
<th>Year</th>
<th>Milk Sale Per Day</th>
<th>% inc/Dec</th>
<th>Index No. 1991-92=100</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991-92</td>
<td>298.56</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>1992-93</td>
<td>312.67</td>
<td>4.73</td>
<td>105</td>
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<tr>
<td>1993-94</td>
<td>351.06</td>
<td>12.28</td>
<td>118</td>
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<tr>
<td>1994-95</td>
<td>376.01</td>
<td>7.11</td>
<td>126</td>
</tr>
<tr>
<td>1995-96</td>
<td>365.93</td>
<td>-2.68</td>
<td>123</td>
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<tr>
<td>1996-97</td>
<td>356.11</td>
<td>-2.68</td>
<td>119</td>
</tr>
<tr>
<td>1997-98</td>
<td>356.76</td>
<td>0.18</td>
<td>119</td>
</tr>
<tr>
<td>1998-99</td>
<td>417.07</td>
<td>16.90</td>
<td>140</td>
</tr>
<tr>
<td>1999-2000</td>
<td>428.47</td>
<td>2.73</td>
<td>144</td>
</tr>
<tr>
<td>2000-2001</td>
<td>434.59</td>
<td>1.43</td>
<td>146</td>
</tr>
<tr>
<td>2001-2002</td>
<td>407.24</td>
<td>-6.29</td>
<td>136</td>
</tr>
<tr>
<td>2002-2003</td>
<td>410.74</td>
<td>0.86</td>
<td>138</td>
</tr>
<tr>
<td>2003-2004</td>
<td>439.03</td>
<td>6.89</td>
<td>147</td>
</tr>
<tr>
<td>2004-2005 (Upto Dec.)</td>
<td>436.83</td>
<td>-0.50</td>
<td>146</td>
</tr>
</tbody>
</table>

Source: P.C.D.F. Office, 29 Park Road Lucknow.
Hence, there is also and disbalance growth in per day milk sale. Sale of milk is increasing per year. This way in the year 2004-2005 upto December Rs. 437 thousand liter was the per day sale of milk. But in the year 1995-96 it reduced to 3% in comparison to previous year. But, its sale per day was Rs. 366 thousand liters in year 1994-95 again in same proportion in year 1996-97 it reduced to Rs. 356 thousand liters. But in year 1997-98 there was no increase or decrease it remains constant upto Rs. 356.76 thousand liters. In year 1998-99 again it started increasing to 17% and in continuous form it increased in year 1999-2000, year 2000-01, in a proportion to 3% and 1% then in year 2001-02 it reduced to 6% in comparison to previous year. It came to Rs. 407 thousand liters. But in year 2003-2004 it increased to Rs. 439 thousand liters. This was more than in comparison to previous year approx 7%.

**Composition of Milk Sale:**

As it is clear from the above discussion that federation sells not only liquid milk but milk product also. Table 4.3 shows the structure of sale in federation. From the study of this table we can say that firstly, Ghee has increased I times and secondly Butter comes but in place of increasing it has decreased. Butter has increased 0.74 times and at third place is liquid milk
which has decreased gradually in the study period of year 1990-91 to 2002-2003. Skimmed milk powder upto 0.00 times and other products sales has fluctuating trend.
<table>
<thead>
<tr>
<th>Year</th>
<th>Milk Sale</th>
<th>Ghee Sale</th>
<th>Butter Sale</th>
<th>S.M.P. Sale</th>
<th>W.M.P. Sale</th>
<th>Flaword Milk Sale</th>
<th>Paneer (Cheese) Sale</th>
<th>Cream Sale</th>
<th>Other Sales</th>
<th>Total</th>
<th>Index No. 1990-91</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-91</td>
<td>3476.00 (3476.00)</td>
<td>1395.44 (1395.44)</td>
<td>1235.74 (1235.74)</td>
<td>326.47 (326.47)</td>
<td>3.51 (3.51)</td>
<td>2.85 (2.85)</td>
<td>30.69 (-)</td>
<td>0.0061 (-)</td>
<td>742.84 (-)</td>
<td>7210.70 (-)</td>
<td>100</td>
</tr>
<tr>
<td>1991-92</td>
<td>3139.20 (-9.69)</td>
<td>1029.99 (-26.19)</td>
<td>858.29 (-30.54)</td>
<td>578.57 (77.27)</td>
<td>51.17 (1357.83)</td>
<td>2.45 (-)</td>
<td>13.53 (-55.91)</td>
<td>.0039 (-36.06)</td>
<td>660.93 (-11.03)</td>
<td>6334.32 (-12.15)</td>
<td>88</td>
</tr>
<tr>
<td>1992-93</td>
<td>1549.19 (-50.65)</td>
<td>1208.91 (-17.37)</td>
<td>568.91 (-33.71)</td>
<td>87.27 (-99.68)</td>
<td>.53 (84.18)</td>
<td>- (-)</td>
<td>24.92 (-55.91)</td>
<td>.0014 (-36.06)</td>
<td>22.53 (-96.59)</td>
<td>3462.42 (-45.34)</td>
<td>48</td>
</tr>
<tr>
<td>1993-94</td>
<td>2348.07 (51.56)</td>
<td>1322.36 (9.38)</td>
<td>653.06 (14.79)</td>
<td>94.14 (-8.74)</td>
<td>- (7.87)</td>
<td>1.41 (101.64)</td>
<td>50.25 (0.00)</td>
<td>.0014 (377.40)</td>
<td>- (-32.19)</td>
<td>4576.86 (-32.19)</td>
<td>63</td>
</tr>
<tr>
<td>1994-95</td>
<td>2640.40 (13.47)</td>
<td>171.15 (-45.76)</td>
<td>213.29 (14.79)</td>
<td>48.53 (-45.49)</td>
<td>- (48.45)</td>
<td>2.35 (43.02)</td>
<td>71.87 (377.40)</td>
<td>- (-32.19)</td>
<td>695.51 (546.62)</td>
<td>4429.14 (-3.22)</td>
<td>61</td>
</tr>
<tr>
<td>1995-96</td>
<td>3138.86 (17.80)</td>
<td>1171.09 (63.29)</td>
<td>668.65 (213.49)</td>
<td>44.59 (-8.12)</td>
<td>- (-12.37)</td>
<td>1.01 (61.27)</td>
<td>115.91 (80.74)</td>
<td>28.99 (75.81)</td>
<td>1222.81 (44.31)</td>
<td>6391.91 (44.31)</td>
<td>89</td>
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<td>1996-97</td>
<td>2864.52 (-8.74)</td>
<td>1829.68 (56.24)</td>
<td>585.90 (-12.37)</td>
<td>24.21 (-45.70)</td>
<td>- (-45.70)</td>
<td>1.02 (-45.33)</td>
<td>63.36 (11.35)</td>
<td>32.28 (38.34)</td>
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<td>1997-98</td>
<td>3028.19 (5.71)</td>
<td>1691.16 (-7.57)</td>
<td>863.34 (47.35)</td>
<td>9.13 (-62.28)</td>
<td>- (-62.28)</td>
<td>1.17 (13.42)</td>
<td>71.86 (-9.17)</td>
<td>29.32 (3.42)</td>
<td>1749.52 (4.95)</td>
<td>7443.69 (4.95)</td>
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<td>1998-99</td>
<td>3417.00 (12.84)</td>
<td>1520.30 (-19.98)</td>
<td>902.10 (4.49)</td>
<td>13.86 (51.81)</td>
<td>- (-)</td>
<td>2.03 (17.92)</td>
<td>84.74 (33.86)</td>
<td>39.25 (10.32)</td>
<td>1930.05 (6.28)</td>
<td>7911.33 (6.28)</td>
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<td>Year</td>
<td>CIF (Crore)</td>
<td>CIF (Year-on-Year %)</td>
<td>CIF (YoY %)</td>
<td>Movement (Crore)</td>
<td>Movement (YoY %)</td>
<td>12% (Crore)</td>
<td>12% (Year-on-Year %)</td>
<td>12% (YoY %)</td>
<td>12% Movement (Crore)</td>
<td>12% Movement (YoY %)</td>
<td>Profit (Crore)</td>
</tr>
<tr>
<td>--------</td>
<td>-------------</td>
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<td>---------------------</td>
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<tr>
<td>1999-00</td>
<td>1410.58</td>
<td>(-58.72)</td>
<td>1114.97</td>
<td>10.78</td>
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<td>57.80</td>
<td>(31.79)</td>
<td>16.29</td>
<td>(41.50)</td>
<td>1876.56</td>
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<td>2000-01</td>
<td>2.87</td>
<td>(-99.79)</td>
<td>1084.47</td>
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<td>0.14</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>1302.34</td>
<td>(12.27)</td>
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<td>(-49.27)</td>
<td>915.01</td>
<td>-</td>
<td>-.94</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1376.17</td>
<td>(5.67)</td>
<td>3838.38</td>
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</table>

*Source: Complete Annual Report P.C.D.F. Lucknow*
In year 1990-91 liquid milk sale was Rs. 3476 lakh out of total sale. But in next year 1991-92 it decreased to Rs. 3139 lakh. It means a negative result as more than 9% decrease. And in same manner it also reduced in year 1992-93 to Rs. 1549 lakh. But in year 1993-94 it increased to Rs. 3138 lakh in year 1995-96 so it increased 1 times in comparison to previous year. But again in next year it reduced to Rs. 2864 lakh in comparison to previous year. It reduced to 8.74% then in year 1997-98 it increased slightly to Rs. 3028 lakh and in comparison to previous year it increased more than 5% and in continuous trend it also increase in the next year 1998-99 that was upto Rs. 3417 lakh which increased more than 12% in comparison to previous year. But after that there was a sudden fall in the sale of liquid milk in year 1999-2000 that was Rs. 1410 lakh which reduced to more than 58% in comparison to previous year. So in same way it started reducing. And again in year 2000-01 there was a shocked fall that was Rs. 2.87 lakh which reduced to more than 99% in comparison to previous year. And it contineoued till the study period of 2002-2003. At last its liquid milk sale was Rs. 3 lakh. The main reason behind this sudden fall
in the sale of liquid milk is discussed to the head relating to problems of marketing sale.

Same way Ghee, also follow the same trend of increase decrease. But here ghee was increased during the study period. In year 1990-91 the sale of ghee was Rs. 1395 and in year 1991-92 it reduced to Rs. 1030 lakh it reduced to 26% in comparison to previous year. And after that it increased in year 1992-93 to Rs. 1208 leagued to Rs. 717 lakh it reduced to 46% in comparison to previous year. But again in year 1995-96 and year 1996-97 it increased to Rs. 1171 lakh and Rs 1830 lakh gradually. But in year 1997-98 it reduced again upto Rs. 1691 lakh and 7% in comparison to previous year. It reduced to Rs. 1522 lakh in year 1998-99. So, it also follows an fluctuating trend. But at last in year 2002-2003 it increased to Rs. 1543 lakh in comparison to the year 1990-91. So we can say that ghee has increased in the study period.

Butter also follows the fluctuating trend in the study period. As in year 1990-91 butter sale was Rs. 1235 lakh. But reduced in the next year 1991-92 upto Rs. 858 lakh and in continuous trend in year 1992-93, 1993-94 & 1994-95 it reduced to Rs. 569 lakh Rs. 653 lakh and Rs. 213 lakh gradually. But in year 1995-96 it increased to Rs. 669 lakh. It increased to 213%. Again in
year 1996-97 it reduced to Rs. 586 lakh and increased in year 1997-98 and 1998-99 upto Rs. 863 lakh and Rs. 902 lakh gradually. And after that it follows increasing trend upto year 1999-2000 that was Rs. 1114 lakh. It increased to 23% in comparison to previous year. And after that it decreased in continuous trend in year 2000-2001; 20001-02 and 2002-03 that were Rs. 1084 lakh, Rs. 943 lakh and Rs. 915 lakh gradually. So, at last it reduced in comparison to the year 1990-91.

S.M.P. as skimmed, milk powder also follows the fluctuating trend. In year 1990-91 S.M.P. sale was Rs. 326 lakh. Again in the next year it increased upto Rs. 579 lakh as it increased to 77% in comparison to the previous year. But it reduced to 85% in the next year 1992-93 but again in the next year it increased to Rs. 94 lakh but after this it started reducing in a continuous trend upto the year 1997-98 that was Rs. 9 lakh. Then, once again it increased to Rs. 14 lakh in the next year 1998-99. In this way, at last its sale was 1 lakh out of total sale in the year 2001-2002. But in the last year of study period 2002-03 was nil.

W.M.P. as whole milk powder shows a very poor performance during the study period of year 1990-91 to 2002-03. In year 1990-91 the sale of W.M.P. was 3 lakh. After that in next year it increased to 51 lakh. Then in
year 1992-93 it reduced to Rs. 0.16 lakh. But after that year 1992-93 W.M.P. shows the nil performance upto the year 1999-2000 to Rs. 2 lakh. But again it remains nil. So, at last we can say whole milk powder was nil. And flavored milk shows the constant sale within the study period. That was, in year 1990-91 sale was Rs. 3 lakh but after that it reduced to Rs. 2 lakh in the year 1991-92. So in same way, It increase and decrease of flavored milk. Shows fluctuating trends. And at last in the year 2002-03 it shows Rs. 94 lakh as the sale of flavored milk out of total sale.

In case of sale of cheese also the table analysis fluctuating trend. It also shows the increasing trend from the beginning to the end of the study period. It increased to less than 2 times in between the year 1990-91 to year 1999-2000 but after that till the end of the study period it shows the nil balance. And in between the study period it shows a very much fluctuating sequence same way in case of cream its trends shows a very bad condition because in the year 1990-91 it shows almost nil sale. And this nil balance continues till 1993-94. But in the year 1994-95 the sale of cream was Rs. 16 lakh and it shows a tremendous increase upto the year 1996-97 that was 32 lakh. Again in the net year it reduced to 9% as its sale reduced to 29 lakh. This way it also shows an
fluctuating trend. And at last it shows an sale of Rs. 16 lakh which increased to 41% in comparison to the previous year. And after that there was a nit trend. With the help of this trend we can come to an conclusion that there was unsuccessful in the production and marketing of cream. If federation wants to improve it or wants to get the desired result then they have to pay more attention on marketing and production system of cream. As they can improve the marketing policy to get the desired objective in the field of selling cream.

**Composition of sales in Percentage:**

Table 4.4 presents share of total sale of milk and milk products. It is clear form this table that share of different milk product out of total sale. Out of these all liquid milk share in total sale is more than the others. And ghee and Butter comes at second and third position in total sale share. Skimmed milk powder is at fourth place. W.M.P. cheese. Cream, Flaword milk almost remains nil. Which analyzing the table it is clear that liquid milk share is much flexible during the study period of year 1990-91 to year 2002-2003. IN year 1990-91 its share was about 48%. Which increased in year 1991-92 to 50% to 60% till year 2002-2003 there was frequent increase/decrease in liquid milk and in year 2000-2001 it reduced to 0%.
TABLE 4.4 COMPARATIVE SALE OF P.C.D.F. (IN PERCENTAGE)

<table>
<thead>
<tr>
<th>Year</th>
<th>Milk Sale</th>
<th>Ghee Sale</th>
<th>Butter Sale</th>
<th>S.M. P. Sale</th>
<th>W.M.P. Sale</th>
<th>Flaword Milk Sale</th>
<th>Paneer (Cheese) Sale</th>
<th>Cream Sale</th>
<th>Other Sales</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-91</td>
<td>48.21</td>
<td>19.35</td>
<td>17.14</td>
<td>4.53</td>
<td>0.05</td>
<td>0.04</td>
<td>0.43</td>
<td>0.00</td>
<td>10.30</td>
<td>100</td>
</tr>
<tr>
<td>1991-92</td>
<td>49.56</td>
<td>16.26</td>
<td>13.55</td>
<td>9.14</td>
<td>0.80</td>
<td>0.04</td>
<td>0.21</td>
<td>0.00</td>
<td>10.43</td>
<td>100</td>
</tr>
<tr>
<td>1992-93</td>
<td>44.74</td>
<td>34.92</td>
<td>16.43</td>
<td>2.52</td>
<td>0.00</td>
<td>0.02</td>
<td>0.72</td>
<td>-</td>
<td>0.65</td>
<td>100</td>
</tr>
<tr>
<td>1993-94</td>
<td>51.30</td>
<td>28.89</td>
<td>14.27</td>
<td>2.06</td>
<td>-</td>
<td>0.03</td>
<td>1.10</td>
<td>0.00</td>
<td>2.35</td>
<td>100</td>
</tr>
<tr>
<td>1994-95</td>
<td>60.16</td>
<td>16.19</td>
<td>4.82</td>
<td>1.09</td>
<td>-</td>
<td>0.05</td>
<td>1.62</td>
<td>0.36</td>
<td>15.70</td>
<td>100</td>
</tr>
<tr>
<td>1995-96</td>
<td>49.11</td>
<td>18.32</td>
<td>10.46</td>
<td>0.69</td>
<td>-</td>
<td>0.016</td>
<td>1.81</td>
<td>0.45</td>
<td>19.13</td>
<td>100</td>
</tr>
<tr>
<td>1996-97</td>
<td>40.38</td>
<td>25.79</td>
<td>8.26</td>
<td>0.34</td>
<td>-</td>
<td>0.01</td>
<td>0.89</td>
<td>0.45</td>
<td>23.85</td>
<td>100</td>
</tr>
<tr>
<td>1997-98</td>
<td>40.68</td>
<td>22.71</td>
<td>11.59</td>
<td>0.12</td>
<td>-</td>
<td>0.02</td>
<td>0.96</td>
<td>0.39</td>
<td>23.50</td>
<td>100</td>
</tr>
<tr>
<td>Period</td>
<td>%A1</td>
<td>%A2</td>
<td>%A3</td>
<td>%A4</td>
<td>%A5</td>
<td>%A6</td>
<td>%A7</td>
<td>%A8</td>
<td>%A9</td>
<td></td>
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<tr>
<td>------------</td>
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<td>-----</td>
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<td>-----</td>
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<td>-----</td>
<td>-----</td>
<td>-----</td>
<td>-----</td>
<td></td>
</tr>
<tr>
<td>1998-99</td>
<td>43.19</td>
<td>19.24</td>
<td>11.40</td>
<td>0.18</td>
<td>-</td>
<td>0.03</td>
<td>1.07</td>
<td>0.49</td>
<td>24.39</td>
<td>100</td>
</tr>
<tr>
<td>1999-2000</td>
<td>22.34</td>
<td>28.92</td>
<td>17.66</td>
<td>0.17</td>
<td>-</td>
<td>0.00</td>
<td>0.92</td>
<td>0.26</td>
<td>29.72</td>
<td>100</td>
</tr>
<tr>
<td>2000-2001</td>
<td>0.07</td>
<td>38.61</td>
<td>25.86</td>
<td>0.017</td>
<td>0.00</td>
<td>0.00</td>
<td>-</td>
<td>-</td>
<td>35.40</td>
<td>100</td>
</tr>
<tr>
<td>2001-2002</td>
<td>0.05</td>
<td>42.41</td>
<td>24.14</td>
<td>0.03</td>
<td>0.02</td>
<td>0.02</td>
<td>-</td>
<td>-</td>
<td>33.34</td>
<td>100</td>
</tr>
<tr>
<td>2002-2003</td>
<td>0.08</td>
<td>40.20</td>
<td>23.84</td>
<td>-</td>
<td>0.02</td>
<td>0.02</td>
<td>-</td>
<td>-</td>
<td>35.85</td>
<td>100</td>
</tr>
</tbody>
</table>

**SOURCE:** FROM TABLE 4.3
At last this remains the same. It means it was constant so as a result share of liquid milk in total sale is 0%.

S.M.P.'s share was also flexible. In year 1990-91 S.M.P. share was 5% out of total sale. Which was increased in year 1991-92 upto 9% but in year 1994-95 it reduced to 1.09% of total sale? And after that it was in reduction position only. In reducing position its lowest position was in year 2001-2002 that is 0.03%. And at last its share out of total sale was nil in years 2002-2003 W.M.P. share out of total sale was almost nil position. By analyzing the table 4.4 we can say that W.M.P.'s share was the highest in year 1991-92 that was 0.80% which was less than 1% also. Under the study period its share to total sale was only in few years that were in year 1990-91, 1991-92, 1992-93 and 2000-01. Gradually in ration 0.05%, 0.80%, 0.00 and 0.04%. Then in other study period its share to total sale remains nil.

Share of ghee in total sale also increase and decreased. In year 1990-91 ghee share was Rs. 19.35% of total sale. Which increased to more than 34% in year 1992-93? After this there was a fall in share of ghee in total sale. Due to this it decreased to 16% in year 1994-95. In this way, within two years it reduced 18%. Again in year 1996-97 it increased upto 26% and then in reducing trend it reduced to 19% in year 1998-99. But after the year 1998-99 it again started increasing from year 1999-2000, 2000-01 gradually in share of 29%, 39% and 42%. As a result at last it reduced in year 2002-2003 upto 40% share of total sale.
Butter share in total sale was very flexible trends. In the period of study there were lots of fluctuations in share of butter sale. In year 1990-91 its share in total sale was 17% which reduced in year 1991-92 upto 13%. But again in year 1992-93 it increased it share upto 16% in total sale. But in this way there was a frequent fluctuation in increasing ad decreasing trend upto 1996-97 till 8% of total share. But after 199697 it started increasing in continuous form upto 2000-2001. That was upto 26% but after that after that again it started decreasing in continuous trend till the period of study. But decreasing of its share is not of great difference it is just an slighter difference. It can be trend till the period of study. But decreasing of its share is not of great difference. It can be trend till the period of study. But decreasing of its share is not of great difference it is just an slighter difference. It can be cleared from its trends in 2001-2002 and 2002-2003 that was 24% and 23.84% respectively.

Paneer (cheese) share in total sale was almost 0.43%. This reduced in year 1991-92 upto 0.21%. After this it follows an increasing trends upto year 1995-96 that was 1.81%. Then again in year 1996-97 it reduced to 0.89%. In this way it was following the fluctuating trends and at last it reduced to 0.92% in year 1999-2000. Then after that its contribution in total sale was totally nil. Upto the study period till 2002-2003.

Share of cream sale in total sale was also almost nil. In year 1994-95 its share was 0.36% of total sale. Then it increased in year 1996-97 upto 0.45% but after that in the next year it reduced to
0.39% in year 1997-98 in comparison to the previous year. In this way again in year 1998-99 its share increased to 0.49%. At last it reduced to 0.26% in year 1999-2000. And after that its contribution to total sale was nil. There was changes in share of sale of other products also. Its main reason is that it depends upon plans of federation. In the year in which some special plan is being started by federation, of other products' sales in the year. Its share increases in total sale. But generally in other year its share remains less.

**Market Segmentation:**

Market Segmentation is the recognition that groups or segments differ with respect to properties which suggest that different marketing mixes might be used to appeal to the different groups. These sub-segments may then be aggregated if the reduction in cost exceeds the reduction in benefits (revenues). This aggregation is based on the fact that both sub-segments respond most to the same marketing mix. 11

The subdividing of a market into homogeneous sub-sects of customers where any sub-sect may conceivably be selected as a market target to be reached with a distinct marketing mix.

“Defines it as “Market Segmentation consists of taking on total heterogeneous market for a product and dividing it into several sub markets or segments each of which tends to be homogeneous in all significant aspects. 12

**Approaches to Market Segmentation:**
Segmenting markets simply divide the heterogeneous mass market into groups, each of which has one or more homogeneous characteristics, the number and nature of which depends on the purposes and imagination of the analyst. There are two basic approaches to identify market segments. These are- “consumer characteristics approach and consumer response” approaches as given in following chart.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumers Characteristics</td>
<td>Consumers Response</td>
</tr>
<tr>
<td>Personal</td>
<td>Product</td>
</tr>
<tr>
<td>Geographic</td>
<td>Benefits</td>
</tr>
<tr>
<td>Demographic Socio-Economic</td>
<td>Usage</td>
</tr>
<tr>
<td>Psychographic</td>
<td>Loyalty</td>
</tr>
<tr>
<td></td>
<td>Occasion</td>
</tr>
</tbody>
</table>

From the perspective of the marketing manager, market segmentation involves two closely related areas. First the total market for any product can sub-divide or segmented into groups of potential customers who are homogeneous with respect to certain wants or desires. Second, it might be advantageous to the organization to serve one or more of these market segments. Two most popular approaches to identify market segmentation:
One analysis of consumer characteristics, or attributes and two, analysis of consumer response. Marketers often combine these approaches to get as comprehensive a picture of the segment as possible.

When markets are segmented on the basis of difference in consumer attributes information is gathered about the social class, ethnic background, demographic characteristics psychological traits and geographical location, the market population. Then the data is analyzed to see whether it explains such aspects of consumer behavior as brand selection, shopping habits & sensitivity to advertising. This type of analysis is called forward analysis. When markets are segmented on the basis of behavior, data are collected on product preferences, media use, etc. and the groups that behave in a similar fashion. This kind of analysis is known as backward analysis.13

**Selling and Distribution System of P.C.D.F.**

Pradeshik Cooperative Dairy Federation as top cooperative institution in state milk business. Federation sells the milk and milk product under a trade mark of “parag Brad” mainly it is divided into two parts-

1. Liquid milk marketing.

This division is important because the marketing strategies of both are entirely different. Both sub-divisions are discussed in such a manner as:-
1. Liquid milk selling:

At present the liquid milk having the name “Parag” in being marketed though local unit, milk union in major cities, metro’s of Uttar Pradesh, Delhi under the direction of Dugdh Uttpadak Sahakari Samitti (DUSS) Ltd. Lucknow, Kanpur, Delhi, Varanasi, Meerut are the main central points for maximum milk demand. Federation does the selling of purified liquid milk in scientific manner. Now on the direction of Pradeshik cooperative dairy federation this milk is sold in Uttar Pradesh’s all metros and main cities. Besides this in Delhi also this milk selling is done directly. Liquid milk selling is done through the local dairy units or dairy unions. Pradeshik cooperative dairy federation sells its milk and milk products with the name parag brand. The milk which are sold under the name parag brand are measured according to the quality control bases. In present time there is five center points of Pradeshik cooperative dairy federation. These are established in Kanpur, Lucknow, Delhi, Varanasi and Meerut districts.

In present time five types of milk are supplied in market under parag brand. Quality is considered while dividing the milk.13

The following types of milk are mainly marketed by DUSS Ltd.

(i) Complete milk:

It is also called as whole cream milk. It is milk in which 6.0% fat and 9.0% SNF is contained.

(ii) Standard Milk:
This standard milk contains 4.5% fat and 8.5% S.N.F. The difference between complete milk and standard milk is only one, that is fat contains in one milk is more and one milk. Hence, standard milk in comparison to complete milk less fat and S.N.F.

(iii) **Toned Milk:**

Toned milk is also determined on the basis of fat and S.N.F. This type of milk contains 3% fat and 8.5% S.N.F. under this type of milk 1.5% fat is less than standard milk and 3% fat is less in comparison to complete milk.

(iv) **Double Toned Milk:**

This type of milk contains 1.5% fat and 9.0% S.N.F. in this way. We can say that double toned milk quantity of fat is rather less than the above all the types of milk & S.N.F. is more than the above types of milk.

(v) **Fit Milk**

It is also called as skimmed milk. Its main characteristic is that fat is 0% But S.N.F. is highest among all the types that is 9.1%. It’s another characteristics is that it contains vitamin A & D also.

Mainly selling of parag milk is done in poly pack. But some places it is packed in canes also. Selling of parag milk pays more attention towards packing of poly pack, so that consumers purchasing or taking milk should get proved milk. Federation
always gives its efforts for purified and qualitative milk to the consumers.

**Determination of Liquid Milk Selling Price:**

Strategy is one of the important factors in determining selling price. Present as is consumer oriented. So product price and products quality both effects satisfaction of consumers. Not only has this, on bases of price consumers measured the quality of product. Along with this, quality is also the base for determining selling price.

In determining milk selling price Pradeshik cooperative dairy federation’s main of fats contains. Therefore, there is difference in the price of complete milk, standard milk, toned milk, double toned milk, mixed milk and fit milk. Complete milk price is highest and in same manner double toned milk price is lowest. Other than fat, local situations also affects the liquid milk selling price. That is the reason why same types of milk price differ in different cities.

2. **Selling of Milk product:**

Pradeshik cooperative dairy federation sales liquid milk and along with this it sells milk product also. Parage brand is also used to sell milk products. One of the important things is that parag brad productions size and area is increasing continuously. Research and development work is being held for new products. Various products like butter, ghee, cheese, flavored milk and skimmed milk powder are produced and sold by parag.

1. **Butter:**
Butter is sold in 100, 500, 20 and 40 grams pack. Butter about 43% of total quantity of milk produced in India is manufactured first into butter and then converted into ghee. The production is carried out in domestic households all over the country and the unit of production is therefore, generally small. Desi butter is prepared exclusively form milk, cream or curd of cow or buffalo milk without the addition of salt, color or any preservative is intended for cooking or for the preparation of ghee. The curd of cow or buffalo milk without the addition of salt, color or any preservative is intended for cooking or for the preparation of ghee. The curd is churned with a corrugated modern butter and the butter when formed is removed by hand. The product obtained is of semi liquid consistency, contains too much curd and moisture, and high acidity, desi butter, should contain not more than 2.5% moisture and not less than 76% milk fat.

The chief objectives of manufacture of creamery butter is to obtain a fat which can be directly consumed along with bread, biscuits etc. at the table about 6% of the total quantity of milk produced in India is used for making creamery butter in dairies and creameries. The cream for the manufacture of butter should have a fat content of 30% to 40% and it should be produced from milk as hygienically as possible, cream is then pasteurized by heating to 630 C for 60 minutes or 880C for 10 minutes.

The cream is churned at 100C to 170C to obtain butter of firm consistency and the loss of fat in butter milk dose not exceeds 0.2%.
2. Ghee:

Ghee is essentially butter fat prepared by heating & drying butter or cream so that the moisture is completely driven off. Bulk of ghee produced in India is derived from buffalo milk. Cow milk is utilized for making ghee to a laser extent Ghee produced at different place and under different condition varies in quality. It is refined by heating in large iron or bar spans at 700C to 800C the produced milk being allowed to settle for 4 to 5 hours. After removing the scum formed at the top and then stored in a cool place for two days for proper crystallization or frain formation.

The creamery method or making ghee is in vogue only in big dairies, where the surplus butter is melted in steam-jacketed tittles which are equipped with mechanical stirrers and heated with steam till the moisture is removed. It is sold in poly pack of 500 grams and 1 kilogram. This way it also sold in tin pack like 500, 1 kilogram, 2 kilogram & 5 kilograms.

3. Skimmed Milk Powder:

This skimmed milk powder is sold in cartoon and poly pack. Cartoon is of 500 grams skimmed powder and poly pack is 500 grams and 200 grams pack.

Many government dairy units also do the selling of following milk products-\textsuperscript{15}

(i) Milk Cake.

(ii) Panner- 100 gram and 500 gram pack.
(iii) Table butter -20 and 40 gram pack.
(iv) Curd.
(v) Sweet and saulty lussi of 200 milliliter bottle.
(vi) Flavored milk 200 milliliter bottle or poly pack.

The discussion of milk product, it is clear that federation is following the policy of market segmentation. And for this, income and need are taken into consideration. Along with this also pays attention towards consumer's interest presents different and milk products. Not only in milk product but also is liquid milk. Market segmentation method is used. For this consumers income and their needs are taken as base.

**Selling Management:**

The meaning of “sales Management” has changed gradually over the year originally businessmen used the term to refer solely to the direction of sales force personnel. Later, the term took on broader significance in addition to the management of personal selling well into the twentieth century; “sales management” also included management of all marketing activities, including advertising, sales promotion, marketing research, physical distribution, pricing & product merchandising.

Sales management means “the planning, direction, and control of personal selling, including recruiting, selecting, equipping, assigning, routing, supervising, paying and motivating as these tasks apply to the personal sales force”.

Sales management is a key function in many kinds of business enterprises. Manufacturing and whole selling enterprises encounter a wide range of problems in sales management.  

**Objectives of Sales Management:**

From the company viewpoint, as stated earlier, there are three general and underlying objectives of sales management: achieving sufficient sale volume, providing ample contribution to profits, and experiencing continuing growth. These three objectives closely interrelated. In achieving these three major goals, the sales management has a key role to play. Sales manage whether administrative or field is to work within the vision, mission, and goals set by the top management that too taking stock of inputs for his output namely sales. It is because sales management is only a specific part of overall management.

**Sales Maximization:**

Maximization of sales implies increase in the quantity of goods sold and therefore, increases in the sales value. For a new concern, it is to start from scratch having no past experience. Most of the newly started companies follow the leaders in the line and their competitors and have a SWOT analysis-The detailed and critical study of strength, weakness, opportunities and threats.
**Profit Maximization:**

If sales are increased profit will automatically increase. A sound firm is not interested only in profit maximization but improvement in profitability rate. It should be noted that profit and profitability are two different concepts, though they are closely related. Profit might increase in absolute terms but might not be commensurate with the efforts put in profitability improvement definitely leads to increase import and not otherwise true necessarily.

**Attainment of Continued Growth:**

Achieving continued growth is some thing challenging and thrilling and rewarding. Like product each organization has a life cycle namely birth, growth, expansion, maturity and decline. Most of the firms struggle hard to row and grow and expand and reach the peak height of performance. However, once they reach the peak of prosperity or maturity, they do not stay longer in that span of like cycle. The intelligence lies in staying evergreen at maturing stage.17
Selling Management of P.C.D.F.:  

Broader management facilities are provided for milk and milk product marketing. At present time inspection and implementation of marketing facility is being done through Regional marketing offices. These regional marketing offices are established in Lucknow, Varanasi, Rampur, Meerut, Delhi and Calcutta. Regional Managers are Coordinator of each regional marketing office. Their working areas are divided in such a way. So that it’s marketing functions of milk product should run in a very smother sense in state and countries different areas.

There is marketing division for inspecting and implementing marketing function in head office of federation. General manager or specific manager level officers are coordinator of marketing division production unit on order directed by marketing division. Marketing inspection and monitoring of Jammu Kashmir, Haryana, Himachal Pradesh and Rajasthan are done by regional manager of New Delhi. Clearing and forwarding agents of Bihar and Madhya Pradesh is kept in Varanasi working area by regional manager.

In all these state one clearing and forwarding commission agent is appointed. These agents work on 4% commission in their area.  

For regional manger a marketing task force is there. Its one of the main work is to increase the number of retail sellers on the some principle base, provide knowledge to their manager about the
activities of market competition by studying etc. It also plays an important role in lunching programme of special products.

The regional manager is associated in his marketing function by a team of sales force. Whose basic task is to call on the retailers and study competitive. The entire marketing operation is mentioned at the head office level number of the supervision of the general manager (marketing) through a regular reporting feedback received meeting of general manager and supervisor hold at regular intervals at head office.

It this way directing, controlling and inspection relating to marketing activities by Pradeshik cooperative dairy federation head office. At the time of determining annual objectives of P.C.D.F.’s annual strategy is prepared with the cooperation of operations, procurement, investment technology departments, Time to time milk products price is determined at different level.
Marketing Organization and Sales Force Plan:

The marketing organization provides the vehicle for marketing decisions on products, marketing channels, physical distributions, promotion and prices. It is also the vehicle through which these decisions are implemented. There must be total integration and coordination of all corporate functions, (marketing research & development, manufacturing and financial etc.) into single operating system directed toward achieving company goods and at the same time, effectively serving the market and the changing wants and desires.¹⁹

Organization is not an end in itself, but means to the end of business performance and business results. Organization structure is an indispensable mean and wrong structure will seriously impair business performance and may even destroy it. The structure must be so designed as to make it possible to attain the business objectives even five, ten and fifteen year hence.

Through marketing organization only necessary decisions are taken for different activities relating to marketing. This organization is a group of persons collected to achieve the goal of marketing. An effective marketing organization should have coordination with other departments and also should have coordination in basic objectives, other marketing efforts.²⁰ In fact; an organization is offers a network of relationship among the various functions to be performed and a means of coordination among the people who perform these functions.
Organizations are basically built round the work to be done for achieving the objectives chosen. The work to be done is to be divided into activities. The activities in their turn are to be conveniently grouped & allocate to learns of people led by an identifies executive at an identified level. While allocating the activities to the various teams, the responsibilities of the teams are also made clear. Basically, the structure of a marketing organization has a direct relationship to the marketing objectives to be achieved and the marketing tasks to be performed. Since usually a wide variety of marketing tasks have to be performed, the tasks have to be appropriately grouped and allocated to different departments. When this is done, the basic structure of the marketing organization emerges.21

Sales Force Management:

To achieve the desired results from the sales force, it is necessary that it be led and managed correctly. Trading the sales force involves motivating them to achieve and every surpass their sales quotas. Motivation is intrinsic, bit; it is the task of the sales manager to motivate his/her team. This involves creating a climate in which everyone gives his/her best performance. While one aspect of this is creating challenging territories, the other is the leadership style & the compensation packages. Sales managers have to be people and also task oriented.22
Sales force compensation is an important tool to motivate the team. This compensation has two parts—monetary and the other, non-monetary. It is important for us to understand that money by itself has little role in motivating people. But it is the power of money or what one can do with money that makes it a powerful tool in motivation. Money helps an individual acquires status in society besides enabling him/her fell more secure. But beyond a point, money ceases to have this value and that is where other non-monetary incentives come in. Some of the monetary compensation plans are straight salary, commission’s etc.  

**Marketing Organization and Sales Force Management of Pradeshiak Cooperative Dairy Federation:**  
To make sound product marketing system, Pradeshiak Cooperative Dairy Federation has made marketing organization and sale force management plan. Under this different basic are prepared. Selling and distribution inspection representative is managed in this plan for necessary direction. Following points are discussed under this plan.

1. Allocation of sales territory.

2. Determination of head quarters.

3. Listing and gradation of dealers.

4. Final format of first quarterly survey.

5. Outing of basic cities.

6. Marketing process.

7. Distributions system an invoicing.
8. Payables and accounts.

**Allocation of Sales Territory:**

Selling inspector’s working area is divided by the Federation. And that area is called its territory. Distribution included in one territory depends upon the business capacity. If business capacity is less than number of territory will be 4 or more than 4. Sales territory is determined on the basis of marketing capacity desired time, and available sales forces. It is important to be noted that if many territory are made then in some case it will be good. But, in some case it will be expensive and unfair. Territory having medium numbers of districts are proved to better and effective allocation of territory is done by regional manager on the basis of experience and evaluation.

**Determination of Head Quarters:**

After allocation of territory marketing staff allocation of area is done. Next step will be determination of headquarters. Selling inspector representative will work for its head office area and will cover its termination. Along with this other point are to be noted.

(a) Geographical situations

(b) Intelligence

(c) Easily working etc.

First time visit programme is very important and discussion are done by regional manager and selling inspector representatives. Thoughts of first time visits are:
(a) Performance of business
(b) Division of selling in a grade A, B & C
(c) Collection of sellers name, address etc.
(d) List of going to each cities and
(e) To get prepared complete circulation circle

On the basis of first circulation regional marketing manager and selling inspector representative will get known that how much points are covered under each territory? How much time will it take? How much business is there etc? How much business turnover is obtainable?

Listing and Gradation of Dealers:
After first visit by selling inspector representative. A list of city sellers will be developed. Every selling inspection representative has to dispatch the sellers list. It will be included in the list kept on headquarters. In this way, it will be done on Pradeshik Cooperative Dairy Federation Head Office collection form of district wise seller statement list should be for all states.

Final Format of First Quarterly Survey:
After first quarterly programme by selling inspector representatives and assistant areas manager will take decision on future quarterly programmes. Following points will be paid special attention:
(a) For category ‘A’ maximum expenses.

(b) Economic aspects will be taken into consideration in selling programmes, planning will maximum be emphasized on daily sales and results and minimum on expenses.

(c) Time limitation should be fixed.

One prescribed schedule for each city will be developed by assistant area manager and it will be circulated in officiated areas. So that it can take a proper shape. This will help to trace the representative. Expenses schedule ‘A’, ‘B’ and ‘C’ will appoint on the expenses, re-expenses and other points of expenses. The survey of area manager will be finalized by General Manager, head office and survey of surveyors will be finalized by area managers.

A 2000 or more per month business
B 1000 to 2000 per month business
C 1000 within per month business

Maximum attention to be given on ‘A’ category and minimum on ‘C’. A part from this representative will from B to C and from C to B, and reset will be categorized in one line. The schedule which is categorized by area marketing manager and surveyor will be recommended and if needed will be amended.

**Outline of Basic Cities:**

The basic cities for the entire customary destination will be the same, from where they will start their survey. If survey programme
is divided into more than one medium then the basic part will be
where the survey ends, and the other survey starts.

<table>
<thead>
<tr>
<th>Workers</th>
<th>First</th>
<th>Second</th>
</tr>
</thead>
<tbody>
<tr>
<td>City ‘A’</td>
<td>‘B’ &amp; ‘C’</td>
<td>‘D’ &amp; ‘E’</td>
</tr>
<tr>
<td>Basic Cities</td>
<td>‘A’ &amp; ‘C’</td>
<td></td>
</tr>
</tbody>
</table>

**Marketing Process:**

This process is influenced by a number of factors such as
competition, Government rules and policies, mass media of
communication; consumer advocates the marketing environment
and the social, political economic and technological forces. The
marketing process, in turn, reflects social awareness and
responsiveness, besides the expression of increasing productivity
and undertaking social responsibility in all its own activities. The
marketing process chief objective is to fulfill the social responsibility
in the form of providing satisfaction to the consumers, through
goods and service produced for than as per their needs, of quality
and of reasonable price and make their delivery at a specific place
needed by them. The marketing process involves two aspects, viz.,
mental aspect and physical aspects. The mental aspect assumes
that the sellers must know what buyers want and the buyers must
know what is for sale. The physical aspects are concerned with the
movement of products to places at which they are wanted and at a
time they are wanted. The functions of marketing are performed
within a marketing framework. The process of marketing is, in fact,
the heart of marketing and this process is concerned with three
fundamental elements, viz., equalization, concentration and dispersion.

Equalization consists of adjustments of supply to demand on the basis of time, quantity and quality\textsuperscript{25}. Concentration may be thought of as the activities on activity in which goods flow from many produces towards a central points or market\textsuperscript{26}. Dispersion is the process of dispersion of those products towards the consumer or user which have been concentrated at central points\textsuperscript{27}.

Selling inspector and representatives should do voyage at least not less than 30 voyage in comparison to B and C, category has to put more voyage. Some new and re-voyage should also be done. For giving seller main objective must be to place order. To collect complaint and release them, collect price information to collect competitor’s tenure and other institutions information while receiving the order of selling inspector representative and customer supplier stockiest signature should be done on the order placing book. Main list will be with stockiest and first list will be sent to Regional Marketing Manager.

**Distribution Theory and Making of Invoice:**

The warehouse will give the goods to the stockiest. The marketing officer will be informed about the insulated van who will provide information to their surveyor. The efforts is made to fulfill the demand of the stockiest by local arrangement upto more than one matric ton. And if the demand is of less than one matric ton then one matric ton. And if the demand is of less than one matric
ton then stockiest himself has to pay cash or demand draft and take the supply from regional warehouse. The responsibility of transferring goods from producer units to local warehouse is General Manager (Marketing) Office. For this Regional Marketing Manager sends demand letter to Marketing Office before one week in advance. In this way, the entire selling inspector representative will determine the proper availability of products in their own areas. Supply to stockiest will be done through invoice. And in absence, of Regional Marketing Manager accountant will send the invoice.

**Liabilities and Accounts:**

Payment and Accounts work will be done by Regional Office but accounts relating regional area of receipts and payment and tax payment etc. are done by Pradeshik Cooperative Dairy Federation’s Finance Department

**Selling and Distribution Expenses:**

Table 4.5 shows cooperative dairy federation’s selling and distribution expenses. From analyzing this table it is clear that from year 1990-91 to 2002-2003 federation selling and distribution expense was increased to 0.07 times. In selling and distribution expenses, discount and commission is very important. Federation total selling expense in year 1990-91 was Rs. 268 lakh which gradually reduced to different rate. In year 1992-93 it reduced to approx 178 lakh which was 105 times less in comparison to previous year. Again in 1993-94 it increased to 19% that was 212 lakh and increased in continuous trends upto year 1995-96. And it
increased to 25% in comparison to previous year. But after that in next year only it reduces to Rs. 262 lakh and came down to 15% in year 1996-97.

**Table 4.5: Selling and Distribution Expenses of P.C.D.F.**

<table>
<thead>
<tr>
<th>Year</th>
<th>Discount/Commission Expenses (in Rs. Lack)</th>
<th>Other Expenses (in Rs. Lack)</th>
<th>Total Expenses (in Rs. Lack)</th>
<th>%Increase/Decrease</th>
<th>Index No. 1990-91 =100</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-91</td>
<td>88.75</td>
<td>179.42</td>
<td>267.93</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>1991-92</td>
<td>37.95</td>
<td>152.88</td>
<td>190.83</td>
<td>-28.78</td>
<td>71</td>
</tr>
<tr>
<td>1992-93</td>
<td>71.72</td>
<td>106.33</td>
<td>178.05</td>
<td>-6.70</td>
<td>66</td>
</tr>
<tr>
<td>1993-94</td>
<td>82.80</td>
<td>129.67</td>
<td>212.47</td>
<td>19.33</td>
<td>79</td>
</tr>
<tr>
<td>1994-95</td>
<td>89.81</td>
<td>154.30</td>
<td>244.11</td>
<td>14.89</td>
<td>91</td>
</tr>
<tr>
<td>1995-96</td>
<td>98.33</td>
<td>209.57</td>
<td>307.90</td>
<td>26.13</td>
<td>115</td>
</tr>
<tr>
<td>1996-97</td>
<td>15.16</td>
<td>247.90</td>
<td>262.16</td>
<td>-14.86</td>
<td>98</td>
</tr>
<tr>
<td>1997-98</td>
<td>88.24</td>
<td>300.56</td>
<td>318.80</td>
<td>48.31</td>
<td>14.5</td>
</tr>
<tr>
<td>1998-99</td>
<td>29.50</td>
<td>232.18</td>
<td>261.68</td>
<td>-32.70</td>
<td>98</td>
</tr>
<tr>
<td>1999-00</td>
<td>-</td>
<td>1.98</td>
<td>1.98</td>
<td>-99.24</td>
<td>0.74</td>
</tr>
<tr>
<td>2000-01</td>
<td>1.34</td>
<td>33.26</td>
<td>34.60</td>
<td>1647.47</td>
<td>12.91</td>
</tr>
<tr>
<td>2001-02</td>
<td>-</td>
<td>40.89</td>
<td>40.89</td>
<td>18.18</td>
<td>15</td>
</tr>
<tr>
<td>2002-03</td>
<td>6.54</td>
<td>58.66</td>
<td>65.20</td>
<td>59.45</td>
<td>24</td>
</tr>
</tbody>
</table>

Source: Annual Reports of P.C.D.F. Lucknow Complied Annual Reports of P.C.D.F. 29, Park Road, Lucknow.

In this way, the trend follows the fluctuation in increase and decrease trends. Again it reduced in the year 1999-2000 upto 2 lakh that was 99% in comparison to previous year. But again in
next year 2000-2001. Selling and distribution expenses started increasing and at the end of this study period in year 2002-2003 there was an increase in selling and distribution expenses upto 65 lakh that is 59%. If selling and distribution expenses amount is compared with sales then selling and distribution expenses ratio increase in a very slow trends. In the year 1990-91 share in total sale of selling and distribution expenses was about 269.93 lakh. One of the main reasons of increase it that with the sale commission and distribution and other expenses are also increasing.

**Problems Relating to Selling and Distribution:**

Pradeshik cooperative dairy federation faces many problems in performing selling and distribution work. Following are the problems relating to selling and distribution of P.C.D.F.

1. **Competition:**

   In milk selling and distributions areas P.C.D.F. has to face the competitions problems. The competition of federation is with the private milk businessmen or Milkman’s hence, federation milk and milk product is named as ‘parag brand’. Then also, private businessmen create some specific breakage in their sales. Personal milk businessmen contact personally to consumers and scan sell its milk. And consumers prefer door to door service. And personal milk seller’s provider this type of service to the milk consumers. So consumer’s purchases milk from the private milk seller instead of federation milk. That is the reason by complete milk sale is less.
That is why some times consumers come under the temptation of private businessmen of milk. For this cooperative milk marketing institution should do the publicity to increase the sale of milk where federation’s milk quality is good, some we can assure by private milk seller. This information should be known by the consumers. It can be said that their is lakh of effective publicity or advertisement of liquid milk or milk products in Pradeshik cooperative dairy federation. Federation should highlight time to time their quality of milk and milk product with the help of different media or publicity method. And then more and more farmers will have milk cattle’s and they will be the member of Dairy Committee. This selling and distribution problem.

2. Lack of supply of Milk in Towns:

It is clear from the above discussion that Dairy Federation sells liquid milk in states towns only. But according to demand supply is not fulfilled. Sometimes supply I sufficient but sometime it is less. Due to this consumers supply is sufficient but sometime it is less. Due to this consumers couldn’t get the ‘Parag’ milk according to their necessity. So, because of this reason consumers get attained by private milk sellers. This is one of the main problem in sale of ‘Parag’ milk. It can be solved by increasing the milk production. And for the solution, Dairy Federation should help the village farmers to purchase the milk cattle through their Dairy Committee. Federation should help them by providing not only finance but also other helps.
3. Lack of Efficient Agencies:

In above discussion it is clear that sale of liquid milk is done through selling agent. According to Federation sources, Federation doesn’t get the agent in required number. This creates difficulties in sale of product. Its one of the main reason is that the income of agent is very less. As it is understood that agent gets approximately 15 to 25 paisa per liter as Commission. In another words, If a agent gets 15 paisa per liter as Commission and he sell 100 liter milk. Then he will get only Rs. 15 which is very less according to agent. For this the Federation should apply some effective incentives to attract agents. So, Federation should contact some marketing research institutions or to establish on marketing research institutions so that survey can be done. And according to survey initiative plan should be applied.

4. Problem of Spoiled Milk:

Milk is perishable goods. So we cannot avoid this universal truth that milk or some milk products are destroyed after some time if those are not kept with special care. Therefore, after some time it is natural that it will get destroyed. For solution of this problem agents should be provided cold storage milk box. And, secondly they can use modern packing system. For this other Dairy Unions packing system of country should be studied. Along with this, new technique should be developed by the help of Research and Development.

5. Packet Leakage:
According to source of Dairy, liquid milk is wasted because of packet leakage. This results in economic loss to the Federation. For this it is necessary to improve the complete packing system. Some time due to packing leakage can be solved happens. If good poly pack is used then problem of packet leakage happens. If good poly pack is used then problem of packet leakage can be solved easily. It should be accepted that at large scale sale these types of problem arises. Even when milk is brought by bicycle. So due to lack of transport facility wastage of milk happens. Through good packing system wastage of milk product can be reduced.

Above problems are difficulties in selling and distribution of milk and milk products of federation. Like fear of sedimentation in powder mixed milk, transport of federation. Like fear of sedimentation in powder mixed milk, transport problem due to bad roods etc. problem relating to the fear of sedimentation in powder mixed milk. Secondly, using effective method, problem milk is not used in liquid milk. Secondly, using effective method, problem relating to the fear of sedimentation can be solved, from which milk powder get converted into liquid milk. As the problem relating to transport is one of the problem of country like India. So for problem relating to transport only one solution that is dairy centre should be established in each city according to its population and agents should be provided required amount of liquid milk from dairy centers.

Conclusion:
By analyzing the above discussion it is clear that its aim is to provide milk and milk products in urban areas. Except this, federation also sells the product by other sources. The other sources through which federation sells its products are: general consumer of state, one another milk unions state, and consumer outside the state, government institutions.

In year 1990-91 to year 2002-2003 in between this study period of federation total sale reduced to more than 1 times. In year 1990-91 total sale amounts to 7211 lakh which come to 3838 lakh by fluctuating trends of increase or decrease. Study period has experience of different rate of increase and decrease. Average per day sale also shows the increasing trend. Between study period of year 1990-91 upto Dec. 2004-2005 it increased to 1.5 times. Average per day sale also shows the misbalance increment during the study period.

Dairy federation sales not only liquid milk but also many milk products at which includes ghee, butter and skimmed milk powder. These many cooperative dairy units also cake, chess, butter, curd, sweet and salty lussi etc. form the study period of federation it is clear that there is a increase of 1 times in sale of ghee. In second place butter sale comes. Which has reduced in comparison to the previous year that is upto 74 times reduction. Then comes milk sale. But there was lots of fluctuation in other products sale. These were different in share of total sale of milk and milk product. Liquid milk share in total sale was 0.08% but in year 1990-91 its share was about 48% in total sale. Ghee share in total sale was 40% in
year 2002-2003. Its share in year 1990-91 was 19% and in other side butter share was 23% but in year 1990-91 its share was 17%. And other products like- S.M.P.W.M.P. lowered milk. Cheese and cream was nil.

Dairy federations selling and distribution system of milk and milk product can be divided into two parts-

(i) Liquid milk sale.

(ii) Milk product sale.

Liquid milk is sold at different quality base. It is classified into following

(i) Complete milk.

(ii) Standard milk.

(iii) Toned milk.

(iv) Double toned milk.

(v) Fit milk.

Price determination of liquid milk is done on the basis of fat contained in it. Milk product are also sold by different forms like ghee, milk powder, butter, milk cake etc. from this it is clear that federation is following the market diversification policy. Firstly income is the main base. Federation had done broad management for marketing system of milk and milk products. This work is done by 6 regional marketing offices. Federation had prepared marketing organization and marketing management plan to make soundful
marketing. Through this plan allocation of sales territory, facility of towns sellers, outline of basic cities. Marketing process etc. is prepared. From this, study it is clear that there is lot of increase in selling and distribution expenses. Between study period of year 1990-91 to year 2002-2003. It reduced to 24 times. Discount and commission is an important expense of Pradeshik cooperative dairy federation.

Pradeshik cooperative dairy federation has to face many problems in its marketing work performance. The problems faced by P.C.D.F. are competitors, lack of supply of milk, lack of agent, fear of spoiled milk and pocket leakage. Federation competitors are private milk businessmen. For this, it is necessary to do the effective publicity of quality parag milk consumer federation should through a light on different products quality also by time to time publicity. In this way, a trail can be made to remove the wrong attitude of consumers relating to federation milk and milk products. For sufficient supply of milk in towns. There milk production should be increased. And for this federation should help the farmers to purchase milk cattle and to become the member of dairy unit. To increase the number of agents many incentive should be provided like providing many facilities to agents and give them reward for increasing the sale. To open selling centers unions should provide them help. Agents should be provided cold storage milk boxes to avoid the wastage or destroying of milk and packing system should be improved. For this a study should be done of other milk union’s packing system of country. And new research
should be done. Packing leakage creates problems not only for unions and agents but also for consumers. To stop packet leakage better poly pack should be used. Hence, federation should prepare a sound selling and distribution policy and programmes. While keeping on view about outside situation.
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