ABSTRACT

Indian dairy market is growing rapidly but there are glaring gaps in research on marketing strategies. There are hardly any studies which examine link between marketing strategies adopted by the dairy companies and their performance. In this research an attempt has been made to create a systematic understanding of (1) profile of the Indian customer and competition, (2) marketing strategies adopted by the companies and their performance and (3) the competitive advantages.

The research focuses on the companies (consist of 1 state-owned, 6 co-operatives and 34 private dairy companies of the selected region), selected on the basis of minimum average daily milk procurement of 5000 litres or the annual turnover of 5 crores.

Extensive literature survey has been carried out in the area related to marketing strategies. Since, there is no existing metric that can be used to capture a holistic view of the extent to which a company practices the marketing strategies. The scale has been developed which, further has been tested for its reliability and validity through a primary research.

Primary data has been collected for 41 companies (consist of 1 state-owned, 6 co-operatives and 34 private dairy companies of the selected region) using depth interviews as well as structured questionnaire. The questionnaire consists of a strategic orientation questionnaire with three sections and general questionnaire. First section of strategic orientation questionnaire consists of Likert-scale type statements related to the customer and competition exists. Second section is devoted to the marketing strategies adopted by the companies and the last section is related to performance measures. Ratings have been obtained on a 7-point scale.

All the respondents are marketing professionals of the rank of marketing manager and above. Overall as far as marketing strategies adopted are concerned, there is a positive correlation between the distribution and profit. The distribution variable is the most important predictor of the profit variable. Similarly, there is a positive correlation between the marketing implementation and market share growth. There is a positive correlation between the product and acquiring new customer. The product variable is the most important predictor of the acquiring new customer variable. There is a
positive correlation between the marketing implementation and sales revenue growth. Marketing implementation variable is the most important predictor of the sales revenue growth variable. There is a positive correlation between the marketing implementation and sales growth rate. Marketing implementation variable is the most important predictor of the sales growth rate variable. There is a positive correlation between the marketing implementation and cost of retaining customer. Marketing implementation variable is the most important predictor of the cost of retaining customer variable. There is a positive correlation between the marketing planning and increasing sales to current customers. Marketing planning variable is the most important predictor of the increasing sales to current customers (retailers/distributors) variable.

A detailed analysis of the marketing strategies adopted by the companies is presented here. This analysis has been supplemented with relevant secondary data to obtain additional insights.

An attempt has been made to synthesis existing knowledge on the subject with primary research and provides a generic conceptual framework to the professional and companies for the implementation of marketing strategies for the improved performance.