

173852

# A STUDY ON EFFECTIVENESS OF MARKETING MIX OF DOUBLE HORSE

by  
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(2014-31-140)



## MAJOR PROJECT REPORT

Submitted in partial fulfilment of the  
requirements for the post graduate degree of

## MBA IN AGRIBUSINESS MANAGEMENT

Faculty of Agriculture

Kerala Agricultural University



COLLEGE OF CO-OPERATION, BANKING AND MANAGEMENT

VELLANIKKARA, THRISSUR-680656

KERALA, INDIA

2016

**DECLARATION** 

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## DECLARATION

I hereby declare that this project report entitled “**A STUDY ON EFFECTIVENESS OF MARKETING MIX OF DOUBLE HORSE**” is a bonafide record of project work done by me during the course of MBA (ABM) and that the report has not previously formed the basis for the award to me for any degree/diploma, associate ship, fellowship or other similar title of any other University or Society.

Place: Vellanikkara

Date: 18-8-2016



**YOGESH. K. P**

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CERTIFICATES

**CERTIFICATES** 

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## CERTIFICATE

This is to certify that the project report entitled “**A STUDY ON EFFECTIVENESS OF MARKETING MIX OF DOUBLE HORSE**” is a bonafide record of project work done by **Mr. YOGESH K.P. (2014-31-140)** under my guidance and supervision and that it has not previously formed the basis for the award of any Degree, Fellowship or Associate-ship to him.

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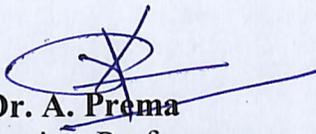
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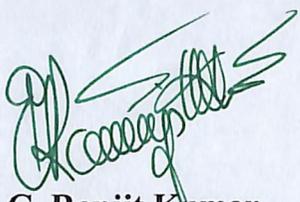
## CERTIFICATE

We, the undersigned members of the advisory committee of Mr. Yogesh K.P., a candidate for the degree of **MBA in Agribusiness Management**, agree that the project work entitled "**A STUDY ON EFFECTIVENESS OF MARKETING MIX OF DOUBLE HORSE**" may be submitted by Mr. Yogesh K.P., in partial fulfilment of the requirement for the degree.

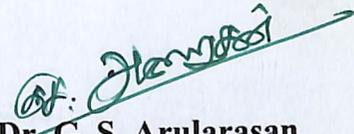
  
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# **ACKNOWLEDGEMENT**

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*For any errors or inadequacies that may remain in this work, of course, the responsibility is entirely my own.*

  
**YOGESH K.P.**

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# **DESIGN OF THE STUDY** ✍️

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## **Chapter 1**

### **DESIGN OF THE STUDY**

#### **1.1 Introduction**

Marketing is the process by which companies create customer interest in goods or services. It generates the strategy that underlies sales techniques, business communication, and business developments. It is an integrated process through which companies build strong customer relationships and create value for their customers and for themselves. Marketing is used to identify the customer, to satisfy the customer, and to keep the customer. With the customer as the focus of its activities, it can be concluded that marketing management is one of the major components of business management. According to Philip Kotler (1985), marketing is the science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit. Marketing identifies unfulfilled needs and desires. It defines measures and quantifies the size of the identified market and the profit potential. It pinpoints which segments the company is capable of serving best and it designs and promotes the appropriate products and services.

The term marketing concept holds that achieving organizational goals depends on knowing the needs and wants of target markets and delivering the desired satisfactions. It proposes that in order to satisfy its organizational objectives, an organization should anticipate the needs and wants of consumers and satisfy these more effectively than competitors. Marketing is a very important activity for the organisation. In marketing a lot of sub activities are performed. Marketing includes the activities like identification of demand, research, market segmentation, product development, launching of products, modification of products, deletion of products, product design, pricing, different types of pricing, promotion of products and services, sales promotion, personal selling, publicity, public relations, adverting, distribution of products and services, consumer behaviour, internal and international market coverage, branding, packaging, labelling and many other activities.

### **1.1.1 Marketing mix -4 P model**

For easy understanding and proper planning of activities, the marketing activities are divided into four areas designated as 4 P's. These are product, pricing, promotion and placement. Later people, process and physical evidence are added to it. These are generally known as the elements of marketing mix. Borden (1964) developed the concept of "marketing mix" and affirmed the idea of defining marketing manager as "one who is constantly engaged in fashioning creatively a mix of marketing procedures and policies in his effort to produce a profitable enterprise". The marketing mix is defined as set of controllable marketing tools that a company uses to create a desired response in the targeted market. (Kotler P. et al, 1985).

Product refers to the item actually being sold. Price refers to the value that is put for a product. It depends on costs of production, segment targeted, ability of the market to pay, supply - demand and a host of other direct and indirect factors. Place refers to the distribution channel of the product. Promotion refers to all the activities undertaken to make the product or service known to the user and trade.

### **1.2 Double Horse**

Manjilas Double Horse is the promoters of good food honouring the tradition of best and unique taste. They serve food that is easy to cook keeping in mind the busy life of individuals. Stated as a family enterprise, Manjilas group has flourished under the administration of three generations of entrepreneurs. A visionary who brought about a great revolution in the rice industry. M.O. John an entrepreneur who started the first rice vending outlet in 1959 and laid the foundation stone for Manjilas group. He was the founder general secretary of the Vyapari Vyavasayi Ekopana Samithi (a merchant's association), and president of the Chamber of Commerce, Thrissur. Thanks to the wide vision of the great man .Manjilas make about 20 varieties of rice and about 200 varieties of food products under the famous brand name "DOUBLE HORSE".

Manjilas food products were founded in the year 1995. As today's life style has changed tremendously, the eating habits of the people have changed a lot. Keeping this aspects in mind Manjilas food products has entered to the market conquer changing taste of the consumers. The unit produces various rice based value added products, instant mixes, ready to eat products etc. under the brand name "DOUBLE HORSE". Today Manjilas is certified with ISO 9001-2000 for quality standards. Due to the upcoming of new competitors

in the market has posed challenges the company. The company primarily focuses on delivering quality products to the customers and ensuring their satisfaction. Mass media advertising is less for the company and so the reach to the customers are also becoming less as compared to the other competitors. So to increase the market value the only possible way is to deliver the products to all the stores in and around, through which the reach of the products to the customers can be increased.

### **1.3 Statement of Problem**

Double Horse is a well-established brand from the house of Manjilas Food Tech. Pvt. Ltd. They are saying the products are purely natural and good quality products. Double Horse has more than 200 types of products in their category such as ready to eat, easy to cook etc. A preliminary study conducted to understand the market reachability indicated that hardly 20 types of products were available in the market. Compared to the competitors of Double Horse the market performance is not up to the mark especially in small retail shops and whole sale stores. Double Horse shows better performance in super markets, than in ordinary retail shops. This presents an opportunity to study about the marketing mix of Double Horse to understand its effectiveness and strength.

### **1.4 Objective of the Study**

1. To study the effectiveness of marketing mix of Double Horse.

### **1.5 Methodology**

Following methodology has been adopted to study the marketing mix of Double Horse products.

### 1.5.1 Sampling

The study was done in Chalakkudy town area, 120 customers and 10 retail shops purposively selected from the study area.

### 1.5.3 Data Collection

Both primary and secondary data were used for the study.

1. Primary data were collected through questionnaire.
2. Secondary data were collected from the company records, websites and other published source of reports.

### 1.5.4 Data Analysis

Percentage and indices were used for analysis of the data. A five point continuum on 1-5 scale was used to record the degree of agreement of respondents and statements related to product, price, place and promotion of the Double Horse products to record the effective score. Marketing Mix Effectiveness Index (MMEI) was calculated from the scale using the following formula,

$$\text{MMEI} = \frac{\sum \text{Score of the statement} \times \text{Frequency of the score}}{\text{Maximum score of the statement} \times \text{Total number}} \times 100$$

Index	Zone
<33.33	Ineffective
33.33-66.66	Average/moderate
>66.66	Effective

For the construction of indices, the respondents were asked to rank each factor based on their influence. After that marks were assigned to each rank as follows. For the first rank a mark of 1 was given and for the fifth rank, mark assigned was 5 and other marks ranged between 1 to 5. The marks obtained were summed up to arrive at the total mark of each factor. The least score obtained was taken as the most influencing factor of

consumer's choice and product choice. Similarly, highest score obtained factor was considered as the less influencing factor of consumer's choice and product choice.

### ***1.5.5 Parameters Used for the Study***

<b>Product</b>	<b>Place</b>
<ol style="list-style-type: none"> <li>1. Quality</li> <li>2. Attractive factor of product</li> <li>3. Packaging</li> <li>4. Product line</li> </ol>	<ol style="list-style-type: none"> <li>1. Influence of availability</li> <li>2. Place of purchase</li> <li>3. Satisfaction of availability</li> </ol>
<b>Price</b>	<b>Promotion</b>
<ol style="list-style-type: none"> <li>1. Affordability</li> <li>2. Price competition</li> <li>3. Value for price</li> <li>4. Influence of price of products</li> <li>5. Comparison of price with similar products</li> </ol>	<ol style="list-style-type: none"> <li>1. Awareness</li> <li>2. Advertisement influence</li> <li>3. Information availability</li> <li>4. Satisfaction of promotion</li> <li>5. Expected method of promotion</li> </ol>

### ***1.5.6 Observations***

1. Market performance of Double Horse
2. Competitive existence

### ***1.5.7 Scope of Study***

This study was under taken to find out the effectiveness of existing marketing mix of Double Horse and to understand the strength and weakness of the marketing mix elements.

### ***1.5.8 Limitations***

Human beings differ each other in their decisions, interest and tastes. Response of individuals will differ in different situation and some cases the actual response will not be obtained. In this study is of qualitative in nature. Hence usual loss of correctness of the responses may happen, when qualitative responses are converted into quantitative once.

# **REVIEW OF LITERATURE**

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## Chapter 2

### REVIEW OF LITERATURE

A literature review is an organized critical account of information that has been published on a specific topic and provides an organized synthesis of the information, ideas and knowledge. Providing the content for a literature review is the literature search; a comprehensive investigation of reports and articles that have been written about a topic. Not only should relevant literature be summarized, but it should also be reviewed critically in order to detect the areas of further research. (Tayler and Procter; 2005)

In this chapter an attempt has been made to cover the literature related to the area of marketing so as to develop and establish theoretical framework for the study based on the ideas and concepts expressed in various studies. It encompasses literature related to concept of marketing mix, effectiveness of marketing mix, how to achieve effective marketing mix.

Bruner (1989) reconceptualised the popular paradigm of marketing mix, the 4Ps. He found that it is inadequate to describe the breadth of marketing applications in the 1990's and beyond. He introduced a new conceptualization of 4 C's. The 4 C's included concepts, channels, costs and communication. The 4 C's model is a successor of 4 P's model. This is not only consistent but also compatible with the 4 P's model.

Yoo et.al (2000) investigated the relationships between marketing mix elements and brand equity. From their study they found that, to enhance the strength of a brand, managers must invest in advertising, distribute through retail stores with good images, increase distribution intensity, and reduce frequent use of price promotions.

Constantinides (2002) described the 4S Web Marketing –Mix Model. He found that using traditional approach of 4 P marketing mix is a poor choice for web marketing. He suggested that the basis for successful E-Commerce is the full integration of the virtual activities into the company's physical strategy, marketing plan and organizational processes. The four S elements of the Web-Marketing Mix framework present a sound and functional conceptual basis for designing, developing and commercializing Business-to-Consumer online projects.

Dominici (2009) studied about the movement of traditional marketing mix to e-marketing mix. He observed that the industries are satisfied with the 4 P's and now it is the

task of the online industries to achieve a marketing paradigm. He hopes that new marketing mix will be developed that will substitute the 4 Ps and will satisfy the marketing features of online industries as well as other industries.

Goi (2009) reviewed the present marketing mix that applies particularly to the marketing. He observed that marketing mix was particularly useful in the early days of the marketing concept when physical products represented a larger portion of the economy. But now with marketing more integrated into organizations and with a wider variety of products and markets, some authors have attempted to extend its usefulness by proposing a fifth P, such as packaging, people and process.

Chrysochou (2010) in his study found that, the soaring rates of dietary-related diseases have increased the need for interventions in consumer's healthy eating behavior. Branding is considered as an important tool in communicating the value of health and contributing towards healthier food choices. Branding a food product based on the value of health is not an easy practice as strategies employed may often fail to convey the value of health. In this paper, a case study approach is used to shed light on the practice of health brands and health branding.

Bobeica (2011) explores the relationships between selected marketing mix elements in the area of FMCG. The study revealed that, 4 P's has been helpful for the marketers at least for the consumer packaged goods. But the 4 P's was not applicable to all situations and all types of markets. New studies have shown the importance of the 7P's analysis, relationship marketing and the importance of brand awareness and analysis on the corporate market that impact strategies regarding FMCG industry.

Karakaya et.al (2011) analysis the effectiveness of marketing strategies in the presence of word of mouth by agent based modeling approach. Traditional market models concentrated on single individuals rather than taking social interactions. The individuals are tied to one another with invisible bonds and the influence an individual receives from others, affects their purchasing decision which is known as word of mouth (WOM) effect. They concluded from their studies that, in the presence of WOM, product's quality is found to be the most significant factor affecting the profit of the company due to the positive WOM effect disseminated by the consumers. Promotion strategy of the company is the second important factor that triggers consumers buying motivation.

Amini et.al (2012) opined that having favourite corporate image and powerful brand equity build a strategic position in market. This position plays vital role of sustainable advantage. Hence they focused on the impacts of marketing strategies such as channel performance, value-oriented price, promotion, and after-sales service on brand equity directly and by corporate image indirectly. They found that brand awareness and perceived quality have significant positive impact on the overall value of brand equity in a direct manner.

Moghaddam and Foroughi (2012) studied about the influence of marketing strategy elements on market share of firms. The business profit and economic profit of a company lies in its market share. They say that the one of the most important aim of firms is to enhance market share to achieve greater scale in its operation and to improve its profitability. And due to this managers are always trying to expand their market share. Market share responds to elements of marketing strategy and one of the important items that affect market share is elements of the marketing mix. The result of this study concluded that product strategy, promotion strategy, pricing strategy and place strategy are important elements to increase the market share.

Riaz and Tanveer (2012) observed that the marketing mix and brand building process are highly interlinked. All stages of brand building process are dependent on marketing mix, which are product, price, promotion and place. To create brands, firms need to design the marketing mix in such a way so that it creates the desired image and position in customer's minds and generate positive response which then could be converted into a strong long lasting relationship.

Singh (2012) discussed about the 4 P's of marketing mix. The main objective of the article is to describe the importance of relationship of various components of marketing mix for attaining the competitive advantage in market. She says that the marketing mix is of 2 types and they are product marketing mix and service marketing mix. The product marketing mix is used for the marketing mix of tangible goods and service marketing mix is used for three variables like people, process and physical evidence.

Jain (2013) in his study analysed the present marketing mix, 7P's. He quoted that Marketing mix management paradigm has dominated marketing since 1940s and McCarthy (1964) further developed this idea and refined the principle to what is generally known today as the 4Ps.

Maheshwari (2014) in her paper aimed at analyzing marketing mix of a chosen fast food company. She from her study concluded that, the fast food industry has its challenges, from rising food costs, economic recession and changing perceptions about health. The major problems faced by the Fast food industry include the growing restaurants, health related issues, changing trends, changing consumer preferences, long service hours and profit repatriation.

Wahab et.al (2016) studied the relationship between marketing mix and customer loyalty, and the mediating effect of customer satisfaction in hijab industry. The study was set focused on female customers who are wearing and buying any hijab products at Shah Alam outlets. This study contribute to the existing literature to both theoretical and managerial approaches in order to better understand the pattern of the marketing mix, customer satisfaction and customer loyalty, especially in hijab industry settings.

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# **ORGANISATIONAL PROFILE**

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## Chapter 3

### ORGANIZATION PROFILE

#### 3.1 Introduction

In today's world, the entire dietary paradigm has undergone a startling metamorphosis. With the shift in the focus of the professional women, no longer does she have the time to conjure up elaborate meals. Evolving taste and changing lifestyles have dedicated a radical transformation in the food industry. True to its heritage, Double Horse has lived up this challenge and has introduced a wide range of rice and rice based products, masala spices, instant mixes, pickles and preserved and ready to eat products.

Manjilas making about fourteen varieties of rice and about fifty varieties of food products under the famous brand named Double Horse. Starting from the single retail outlet in Thrissur in 1959, the company now owns a prestigious list of 20 rice varieties and more than hundred food related products in the markets. Each product from Manjilas has the identity of own in taste, colour and convenience.

Today Manjilas is the first ISO 9001:2000 certified food industry in Kerala which has nine manufacturing units employing 700 people. These units are the state of arts imported technology. A strong Research and Development department and a specially developed kitchen have helped to launch many innovative products giving novelty to the customer's taste and appetite.

#### 3.2 History of the Company

When Sri. M.O John started Manjilas mill in 1959; he had only the intension of providing the pure rice and other food products to malayalees. Manjilas rice saga began from the humble environs of the rice bazaar, Thrissur which is the cultural capital of Kerala. It was here late Sri. M.O. John started his rice vending outlet in the year 1959. He was a visionary who brought about a great revolution in the rice industry. He was the founder general secretary of Vyapari Vyasai Ekopana Samithi, as an association of the business community of Kerala. He was also president of Chamber of Commerce, Thrissur (1993-2000). These units use the state of the art imported technology. A strong Research and Development department and special development kitchen have helped to

launch many innovative products giving novelty to the customers taste and appetite. Years ago the ancestors of Sri.M.O John were dedicated to delivering rice for the Royal family. They were doing these processes through buying paddy from farmers and transform in to rice. They gave importance to quality because they have to deliver the rice to the royal family. Though, there were no royal families Manjilas treats the entire consumers as royal and serves them with high quality products. Sri. M.O. John's father commenced rice trading and started it as a business. By starting his own rice mill M.O. John becomes a pioneer the rice industry in Kerala. By starting a modern rice mill in 1976 he brought up his business to a new turning point. By introducing rice powder in 1994 they started diversifying their products. Based on a consumers' survey, after rice powder, Manjilas introduced idli mix, dosa mix, easy palappam and instant idiyappam. Food processing industry is one of the fast changing industries in the world. To utilize the changing opportunities Manjilas used product innovation though regular research.

Food processing industry is one of the fast changing industries in the world. To utilize the opportunities out of the changes. Manjilas used product innovation and regular research. The children of M.O John implemented the new technologies in rice industry and they brought at rice industry into new meaning. Now they are leading with their father M.O John's long perceptiveness and insight. After the death of M.O John, Double Horse products entered into diversification under the able guidance of his sons. Now, the research and developments department are working continuously for developing new products.

### ***3.2.1 Vision of the Company***

To be a leader in the food industry, offering the widest variety of high-quality food products that become a way of life for all those of life for all those who love good food, across the globe.

### ***3.2.2 Mission of the Company***

To come out with a wide variety of innovative food products, that combines health, taste & convenience, so as to make cooking good food fun & easy.

### 3.2.3 Policy and Objectives

The intention of the company is to provide a suitable, safe and healthy working environment to each employee of Manjilas group. As the policies are the plan of actions, the organization needs to evolve personnel policies as they ensure consistency and uniformity in treating people. They help to motivate and build loyalty. Policies become the benchmark to compare and evaluate performance. A policy is more specific and commits the management to a definite course of action.

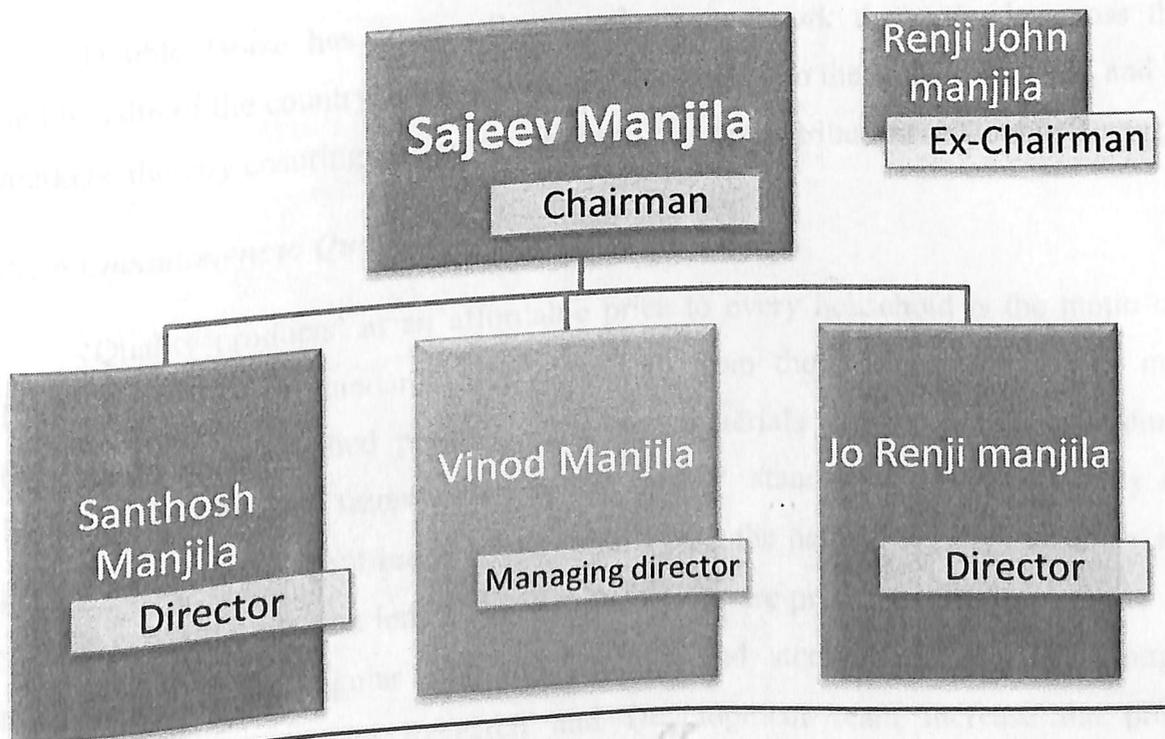
### 3.2.4 The Concept of Convenience

While traditional Kerala cuisine has always been labour intensive and extremely time consuming, Double Horse has created and produced a stunning range of over 50 instant, ready-to cook and ready-to-eat products that replicate authentic Kerala food, effortlessly.

### 3.2.5 Organisation Structure

Manjilas has predominantly remained a family run business for decades. The board of directors consists of the Manjilas family, Sons of founder M O John. Following are the key people who head the organisation and form board of directors.

Chart 3.1 Board of Directors



Mr Renji John Manjila ex Chairman still continues to be a member of board of directors. The various departments are split among the directors for the ease of reporting and managing.

Mr. Vinod Manjila takes care of following departments

- Marketing
- HR
- Finance
- Exports
- Customer Care
- Warehouse and logistics

Mr. Santhosh Manjila takes care of all production activities of all plants.

Mr. Jo Renji heads IT and Purchase departments.

This kind of hierarchy has helped the organisation in maintaining proper reporting structure and transparency in monitoring the activities and is one of the key strengths of Manjilas.

### ***3.2.5 Marketing Networks***

Double Horse has an excellent marketing network that extends across the length and breadth of the country and has substantial inroads into the Middle East, US and European markets, thereby ensuring a steady supply and regular distribution of Double Horse products.

### ***3.2.6 Commitment to Quality***

'Quality products' at an affordable price to every household is the motto of Double Horse. High quality standards are adhered to from the procurement of raw material to the packaging of finished products. The raw materials are procured only from certified farmers of selected farms under strict quality standards. The best quality spices are processed under stringent temperature control with the help of implex pulveriser so that the precious volatile oils that lend flavour to the spices are preserved. High hygienic standards are maintained by regular laboratory testing and stem sterilization. The strong research support extended by its Research and Development team increase the productivity. Traditional methods are tastefully blended to improve upon the sophisticated processes. The

packing is vital to ensure that the product reaches the end customer in fresh at minimum cost. The packaging norms implemented by Double Horse are matching with international standards. The company is following mainly two methods of packaging. Manual packing is in masala production division and mechanical packing is in the company itself. Packaging is done in bulk/consumer pack/limited pouches with flavour lock processing.

### **3.2.7 Double Horse**

The Double Horse rice and rice products are quite familiar to the people of Kerala which show that this brand is positioned as a sign of quality and perception. The unique selling proposition of the company itself is "the taste of Keralites". In Kerala, the brand was launched in 1954 since then no other company was in the field till 1956. In 1965 they started a mechanized mill to cater the need of Keralites. There are about 350 retail outlets of Manjilas brand. The retailers are paid a commission of 2.5 per cent on the sales. The marketing network of the company is also elaborated. The retailers can order the commodity through telephone or any other way and the order will be processed and delivered to the retailers as early as possible. Thus we can see that the company has got strong supply chain management backed by all modern infrastructure facilities.

### **3.2.8 Milestones**

- Kerala's modern rice mill
- It is the first rice mill which has branded rice product.
- It is the first rice mill which has implemented LSU driver from USA.
- It is the first rice mill which supply product free from adulteration.
- First rice mill which has introduced sortex machine from England.
- First rice mill which has introduced SATAKE machineries from Japan.
- First rice mill which has introduced Bubbar machineries from Buhler in Germany.
- First rice mill which has received ISO 9002 certification for quality standards.
- It is the first rice mill which has introduced repacking system.
- It is the first rice mill which has supplied flours of different varieties of puttu podi, appam podi etc.

- It is the first rice mill which has marketed food products from Manjeshawaram and parasala.
- It is the first rice mill which has received ISO certification and still maintaining it.

### **3.3 Certifications**

Manjilas is the first ISO 9001:2000 certified rice mill in Kerala. The company has also been certified with ISO 9002.

### **3.4 Departments and Functions**

#### ***3.4.1 Human Resources Department***

Management is one of the most complex and challenging fields of Endeavour. The scope of HR department is very vast. It includes all the major activity in the working life of a worker from the time of his or her entry to an organization until he or she leaves. Personnel management is planning, organizing, directing and controlling of the procurement, development, compensation, integration, maintenance and separation of personnel to the extent the individual, organizational and social objectives are accomplished. This department treats people as an important asset to be used for the benefit of the organization, employees and society. It is emerging now as a distinct philosophy of management aiming at policies that promote mutual goals, mutual respects, mutual rewards and mutual responsibilities.

The role of the HR department is to manage and motivate employees in the workplace. The specific roles of this department include: selection, recruitment, induction and training of employees, organising appraisals, managing payment systems and organising termination of employees. The department is also responsible overall for implementing government policies regarding the workforce according to labour laws.

Manjilas group of companies has a common HR department for all the mills and units. This department is located in the head office. All the units will have an HR executive who will report to HR department at the head office. Total Human resource in the group is 1101 including staffs and trainees. The HR department has to look after the ESI, PF and salary of all these staffs every month. The HR manager will go to each unit every month personally to sort out the problems in the mills. There are all together 4 executives at the head office working under this department. The main functions of Human resource department are:

- Formulation of Human Resource policies
- Establishment matters like recruitment, promotion, wage revision etc.
- Selection
- Placement and orientation
- Training and development
- Performance appraisal
- Compensation
- Legal issues on administrative matter
- Trade union issues
- Law and order issue
- Enforcement of work culture
- Health and safety at work

### ***3.4.2 Purchase Department***

Purchase department is a department which deals or performs the functions which are related to purchase of materials. The company has many permanent suppliers inside and outside the state. Raw materials were purchase from different places according to the price and quality. They give purchase order to the suppliers according to the purchase request. The suppliers bring materials directly to the factory. After the delivery of goods the quality of the material will be checked, if there is any damage it will be returned back to the suppliers' payments should be done after the delivery and quality were checked. Payment should be in the form of either cash payment or demand draft. The purchase procedure is as follows:

- Checking purchase requisition from units
- Checking the stock position of respective units
- Discussion with sales coordinator and marketing manager
- Taking the product rate from the vendors.
- Giving orders to the vender who is ready to supply product as per the criteria fixed by the company i.e., least rate, specified quality, required quantity and at required delivery time to require a unit.
- Checking at the factory the goods received at the factory is as per the specification and as per the ordered quantity.

- If there is any difference in quantity inform purchase manager immediately and as per the direction purchase manager, reject the product or accept it at the reduced rate.
- Bill to be checked and marked quality checked and quantities verified and send to head office to the respective accountants.
- After receiving a bill from the units the respective accountants to be given the bill to the purchase manager.
- Purchase manager has to check the details noted on the back side of the bill with quantity checked and quality verified and also compare with the rate of purchase orders.
- On the backside of the bill the rate to be given, the party to be noted and after putting signature and credit period, the bill to be handed over to the respective accountants.
- At the specified date of payment the accountant has to make payment to the vendor.

### ***3.4.3 Production Department***

The production department is crucial in an industrial organization like Manjilas Double Horse. Production is the process by which raw materials and other inputs are converted into finished products. Organizational wealth is determined by production. In a specified period of time, the aggregate amount of goods and services produced in an organization is known as wealth. The time frame may be short, medium or long depending on the type of product or services produced. Production of goods as the fabrication of the physical object is of the resources available to the manager. These resources include men, material, money, methods and machines. Production of services is nothing but the discharge of function which has some utility to somebody. The interpretation of the production of goods and services is a broader one. In general, the production is equated with manufacturing which is myopic interpretation. Fundamentally, they may look alike the position being maintained in that there is no difference between tangible and something which provides advice, assistance, helper information. In both cases, outputs are not similar.

#### ***3.4.3.1 Production Process***

The complete production process is done with the help of machine and operated by skilled people. Department will set the standards and targets for each section of the production process. The quality and quantity of the products coming off a production line will be closely monitored. Quality will be monitored by all employees at every stage of production, after completed the production quality control department will ensure the

quality of the product, quality is the peculiarity of the Double Horse products. The company creates better working conditions for the employees and there are around 800 employees working under the guidance of 10 supervisors.

**Fig 3.1 Production process**

Purchase of Raw Material
Stock
Cleaning Process
Roasting Process
Mixing Blender
Powdering in Pulveriser
Packing

The complete production process is done with the help of a manual machine and operated by skilled people. The company will check the quality of the machinery at regular intervals for the smooth running of the production.

Major production units under the group are:

- Manjilas Food Tech. Pvt. Ltd., Kottakkad, Thrissur and Vannamada, Palakkad
- Manjilas Agro Foods Pvt. Ltd., Cheramangalam, Palakkad and Naripotta, Palakkad
- Q One Foods and Ingredients Pvt. Ltd., Unjuvelampetti, Pollachi, Tamil Nadu

The main activities of each unit are as follows:

- Manjilas Food Tech Pvt. Ltd., Kottakkad, Thrissur  
Production of Rice powder products, Pickles, Jams, Ready to eat items, Pastes, Payasam mixes, etc & Warehousing Activities & Fleet
- Manjilas Food Tech. Pvt. Ltd, Chitoor, Palakkad.  
Production of Instant Idiyappam, Rice Ada, Rice Sevai, Chakky Fresh Atta

- Manjilas Agro Foods Pvt. Ltd, Cheramangalam, Palakkad  
Processing of Paddy into Rice
- Manjilas Agro Foods Pvt. Ltd, Kunisserry, Palakkad  
Production Rice and Warehousing Activities
- Q One Foods and Ingredients, Unjuvelampetti, Pollachi, Tamil Nadu  
Production of - Rice powder products, Spices, condiments, masalas.
- Q One Foods and Ingredients (Branch), Unjuvelampetti, Pollachi, Tamil Nadu-Branch  
Process of washing the rice, production of Samba Wheat and its by products, Rava.
- Q One Foods and Ingredients (OSK Warehouse), Gandhi Nagar, Pollachi, Tamil Nadu-  
Warehousing activities for entire Outside Kerala Operations, Raw Materials & Packing Material godown
- Manjilas Agro Foods - Branch, Mysore & Shimoga -  
Rice outsourcing activities and quality Checking
- M O John & Sons (Exports), Kolangattukkara, Thrissur  
Export of all Double Horse Products to almost all the countries

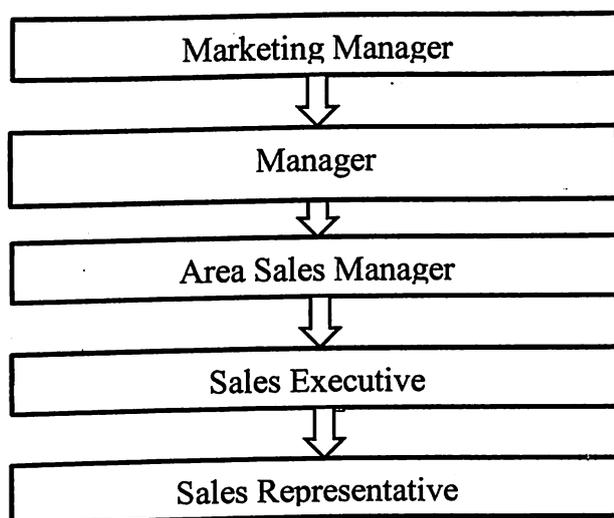
#### ***3.4.4 Marketing and Sales Department***

The marketing department is a department which deals those activities which deal those activities which are related to marketing. Marketing is the process of finding out customer needs and servicing those needs profitability. The essence of marketing is providing desired value to customers. Marketing management is a process of planning and executing the consumption, pricing, promotion and distribution of goods and services and ideas to create an exchange with target groups that satisfy the customer and organizational activities. Double Horse has created and produced a stunning range of over 100 instant, ready to cook and ready to eat products that replicate authentic Kerala food, with an excellent marketing. Manjilas introduced branded rice in the market, because is an inevitable food item in the Kerala. They introduced rice powder, idli mix, dosa mix, easy palappam, and instant idiyappam, into the market according to the needs of the society. They were introducing right products, at the right price, at the right place with a suitable brand name Double Horse.

The main activities of this department are:

- The department aims to sell all products of the company in all shops. Therefore special attention is to be given to this matter.
- Sales personnel should be able to plan the sales promotional activities needed for their area.
- Increasing the number of dealers and ensuring full coverage of the area
- Pressurize the existing customer to purchase more items.
- Recognize se the fast moving items and slow moving items with each customer.
- Feedback from the market and market information are''vital for the management in taking timely actions.
- Competitors' activity and new entries / new products in the market are to be closely monitored and pre reported.
- Sales promotional activities of the competitors and their results are to be closely watched.
- Priority is to be given to doing sales on a cash basis.
- Credit period over 25 days is not to be gig en at all under any circumstances.
- No cash discount is to be given if the cash is not received within the prescribed time allowed.
- Dispatch should be based on the orders received from respective authority.
- Details of dispatch should be communicated prior to or at the time of dispatch to the company accountant in Head Office. Details should contain document number deliver note or bill, date quality destination and purpose of dispatch for stock at go-down or onward billing to buyers.
- Company accountant shall enter the details of the bills received to the parties based on thus dispatched load.
- Company accountant shall follow up and shall ensure that the materials reached its planned destination and amount collected, after entering these details; the entries regarding the particular dispatch are closed in the register.
- To detect the complaints of products from the mill itself before dispatching the foods to the market.

**Fig 3.2 Vertical chart of marketing department**



The above figure consists of a vertical chart of the marketing department. It shows the vertical flow of authority. This structure consists of various positions or job arranged in a hierarchy. The term hierarchy implies a definite ranking order in terms of authority. It means that ranking of managerial position is done by gradually different degrees of authority to different positions. In other words different managerial job is grouped into a different level of authority. The marketing manager of a company delegates authority to lower levels as on this chart. And the marketing manager receives his authority from the Managing Director and Executive Director.

#### ***3.4.4.1 Sales Co-ordination***

The works of this department are done by sales co-ordinators. The work of this department is controlled by senior sales co-ordinator. The main duties of this department are:

- The order receiving through phone, fax, e-mail and by post. On receiving the order, enter it into the Order Register and put Order Number.
- Before processing the order, verify the outstanding bills receivables statement of the party and confirm with the accountant if any points are to be clarified and confirm with the manager regarding the dispatch.
- Order processing is done through the computer and enters the details like the ordered items with quantity, order number, order date and dispatch date (usually 7 days later).

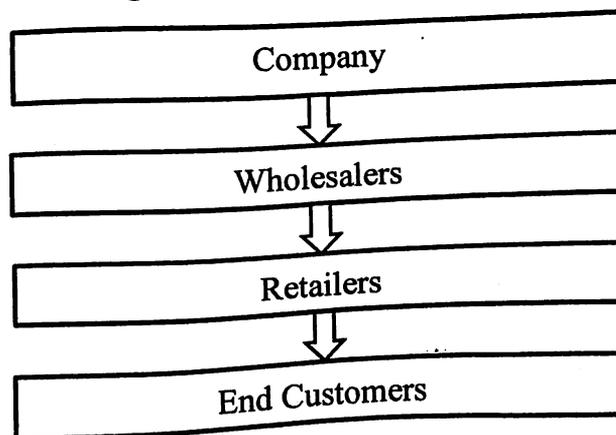
- Order Dispatching - As per rule, the company have to receive e advance DD or cash before sending the order. After receiving the processing the order and enter it into the optional vouchers. On the 5th day, the optional voucher should be changed into an original voucher and take a printout and attach bill and lorry declaration with the voucher.

#### 3.4.4.2 Promotional Activities

Manjilas Group of Companies is promoting its brand through advertisements and other sales promotional techniques. The Double Horse brand is not only advertised through the TV media but also it is advertised through newspapers, magazines etc. throughout the Kerala state we can see many posters and banners of the Double Horse products. As now in the present scenario the company is mainly targeting the Keralites in India as well as Gulf countries. And the company is providing advertisement through Malayalam channels, stickers, banners, brochures etc...

Manjilas has a dedicated media team which looks after the media presence of the company. Although known for its quality of products rather than advertisements Manjilas has built its market on trust by not compromising on quality for decades. Double Horse has actress Shobhana as its brand ambassador and maintained not so bad media presence. It relies on BRANDiD, a consultation firm which takes care of its ads. Media team uses TAM GRP rating and IRS, ABC report to evaluate which TV channel or print media to be used for advertisements. And the company allocates 4% of its budget in advertisements

**Fig 3.3 Distribution channel**



### ***3.4.5 Research & Development***

Double Horse food products have well established Research and Development Department involved in the development of traditional as well as innovative products, giving novelty to the customer's taste and appetite. As a part of the product development, the company aims in launching 50 new products with prime importance for Ready to eat food products and masala mixes. Double Horse emphasis on maintaining strict quality parameters that involve the following detection of: Total bacterial count Total fungal count Coli forms Detection of pathogens like E.coli, Staphylococcus, Salmonella, Bacillus, Listeria, Clostridium etc.

#### ***3.4.5.1 Future Prospects and Growth Plans***

Future prospects of the company are to increase the export quality and to reduce the cost of production. The company aims to sell products with minimum cost and also tries to reduce the cost of promotional activities. One of the other plans is to make more products at high quality. At present, the company exports many of their products to foreign countries. But they aim to spread their more products around the world. For this purpose they try to use advanced technology. So they use more funds to import machinery. These are the future oriented action of Manjilas Group of Companies.

### ***3.4.6 Quality Control Department***

Quality control department refers to the ways and means where quality standards are maintained. The aim of quality control is not only to improve the quality of products, but also to eliminate bad quality goods. Once the quality standard is set, then it should be achieved and maintained in future and efforts should be made to improve it further. Manjilas group of companies have set up a quality control department for the purpose of determining the quality of the product. Different types of tools are used for the purpose of checking control. Their department consists of 7 people headed by the quality control manager. Double Horse emphasis on maintaining strict quality parameters that involves the detection of

- Total bacterial count
- Total fungal count
- Collide forms
- Detection of pathogens like e.coli, Staphylococcus, salmonella, bacillus, listeria,

### 3.5 Competitors of Manjilas

The major competitors of Manjilas Group of companies are the following:

- Nirapara
- Eastern
- Melam
- Saras
- Ruchi
- Brahmins

From these, Eastern is the main competitor of the company. Manjilas is facing tight competition with them and it gives more focus on promotional activities. Technological improvement is also a result of this competition.

### 3.6 Product Profile

#### 3.6.1 Rice

Double Horse is available in wide range of varieties. Rice the staple food from breakfast to dinner, Double Horse's range of rice caters to every application of rice in the lives of people especially in South India.

Verities of Double Horse Rice:-

- Rose Matta: - Par boiled and double boiled red round rice.
- Jyothi Matta: - Par boiled and double boiled red rice.
- Matta Broken: - Single boiled broken race for making rice gruel.
- Red Raw Rice: -used for meals.
- Idly Rice: -Single boiled round white rice.
- Raw Rice for meals: -used for meals.
- B.T.Meals: -White raw rice for making friend rice.
- Ponni Rice: -Single boiled white rice for meals.
- Single Matta: -Single boiled red round rice.
- Cherumani: -Par boiled and double boiled white round rice.
- Jaya Rice: -Par boiled or double boiled long and bold white rice.
- Ghee Rice: -White small rice suitable for making fried rice.

- Payasam Rice

### **3.6.2 Rice Powders**

- White puttu podi
- Chemba puttupodi
- Rosted pathri powder
- Dosa mix
- Idli mix
- Roasted white rice powder
- Uppuma Mix
- Vattayappam Podi
- Idiappam

### **3.6.3 Health Products**

Double Horse health mix is a highly "Nutritious Porridge". Also easy to cook, very healthy as it is enriched with various macro and micro nutrients, it will be a complete breakfast and a balanced diet for all age groups. Herbal products of Manjilas are another important and very attractive food product series.

These series include the traditional herbal products of Kerala.

- Samba puttu podi
- Ragivita
- Instant ginger coffee
- Banana powder
- Samba broken wheat
- Corn puttu podi
- Health Puttu Podi
- Arrowroot Powder
- Herbal Tea
- Banana Powder
- Wheat Puttu etc.

### ***3.6.4 Spices and Ready to Mix Product***

The spices are available as both pure spices and ready mixes, which are used to make the popular South Indian curries.

- Sambar Powder
- Chicken Masala
- Meat Masala
- Pickle Powder
- Fish Masala
- Rasam Powder
- Vegetable Masala
- Egg Roast Masala
- Biryani Masala
- Garam Masala
- Ginger Paste
- Garlic Paste
- Ginger Garlic Paste
- Tamarind Paste
- Dry Chilly
- Crushed Chilly etc.

### ***3.6.5 Instant Sweet Dishes***

Double Horse has a wide range of delicious sweet based dishes. It has got a major role in Kerala festival. Following are the sweet dishes of Double Horse:

- Roasted vermicelli
- Semiya payasam mix
- Palada payasam mix
- Rice Palada
- Payasam Mix
- Pineapple Candy
- Papaya Candy
- Maida Ada
- Ginger Candy

### **3.6.6 Coconut Product/Pickle**

Manjilas Food Tech Private Ltd introduced varieties of coconut products to the whole world. It has wide varieties of pickles available in Indian markets and abroad.

- Coconut chammanthy powder
- Bitter gourd pickle
- Mango pickle
- Hot and sweet lime date pickle
- Dates pickle
- Gooseberry pickle
- Ginger pickle
- Lime pickle
- Garlic pickle
- Mixed vegetable pickle
- Tender mango pickle
- White lime pickle
- Chicken pickle
- Meat pickle
- Prawn pickle
- Squid cutlet fish pickle
- Fish pickle

### **3.6.7 Ready to Cook**

Traditional Kerala foods are the weakness of every Keralites. Manjilas Food Tech Pvt. Ltd understood its importance in this busy era and introduced delicious and tasty products.

- Chicken Biryani Mix
- Sambar Mix
- Chicken Gravy Mix
- Kerala Chicken Curry Mix
- Kerala Fish Curry Mix
- Kerala Meat Mix
- Roasted Coconut paste

### **3.6.8 Ready to Eat**

Aval and Avalos podi is one of the fast moving products of Double Horse rice and rice products. It has got a great demand in the markets especially in gulf countries.

### **3.7 Conclusion**

Manjilas, the mother brand of Double Horse, was founded in the year 1959, as rice milling company selling high-quality rice grains. The brands, on the strength of its commitment to deliver only the best to its customers have witnessed a phenomenal growth over the years. It revolutionized the food sector in Kerala becoming the first ISO 9001:2000 certified Rice Mill in the state and the first food brand to introduce sortex rice, stone less rice and colour grading.

Inspired by the support of its customers and foreseeing the potential for traditional food that's made easy to suit today's busy, modern lifestyle, Manjilas Double Horse started introducing products- from rice powders- breakfast mixes to instant mixes, wheat products, curry powders and condiments made using 'Perfect Blend technology', naturally preserved pickles, health foods, ready-to-cook & ready-to-eat products, traditional preserves, coconut products and more; and is dedicatedly developing new and innovative product ranges, to keep up with its promise to deliver good food and in turn, inculcate a healthy eating habit.

# **INDUSTRY PROFILE**

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## CHAPTER 4

### INDUSTRY PROFILE

#### 4.1 Introduction

Fast Moving Consumer Goods (FMCG) goods are popularly named as consumer packaged goods. Items in this category include all consumables (other than groceries/pulses) people buy at regular intervals. The most common in the list are toilet soaps, detergents, shampoos, toothpaste, shaving products, shoe polish, packaged foods tuff, and household accessories and extends to certain electronic goods. These items are meant for daily of frequent consumption and have a high return. The Fast Moving Consumer Goods Industry includes food and non - food everyday consumer products. They are usually purchased as an outcome of small- scale consumer decision so they are heavily supported (advertising, promotion) by the manufacturers. Typical purchasing of these goods occurs at grocery stores, supermarkets, hypermarkets etc. The manufacturers are always exploring new outlets and sales locations while the traditional retailers have introduced private label brands to capture additional profit. Every one of us uses fast moving consumer products every day. This business is based on building powerful brands and achieving a high level of distribution. Global power brands are the choice of multinational companies. Local brands can complement these. Achieving superior distribution thorough a powerful supply chain and making sure the products are available wherever someone might want or need it. The FMCG Supply Chain is the interrelated collection of processes and associated resources It includes suppliers, manufacturers, logistics service providers, warehouses, distributors, wholesalers and all other entities that lead up to delivery to the final customer. Followed in the market through sales force activity it can help gain a high level of distribution. Market Research, consumer research, segmentation and product positioning is the compulsory homework of any company in this industry. Advertising and promotions, POS activities drive brand awareness, trial, purchase and is a core activity. While TV advertising is most common new solutions are also used including internet advertisements. High budgets, creativity and detailed planning are needed.

Fast Moving Consumer Goods (FMCG) Industry in India is one of the fastest developing sectors in the Indian economy. At present the FMCG Industry is worth US\$ 13.1 billion and it is the 4th largest in the Indian Economy. These products have very fast turnaround rate, i.e. the time from production to the revenue from the sell of the product is

very less. In the present economic scenario, time is regarded as money, so the FMCG companies have to be very fast in manufacturing and supplying these goods.

The Fast Moving Consumer Goods (FMCG) Industry in India include segments like cosmetics, toiletries, glassware, batteries, bulbs, pharmaceuticals, packaged food products, white goods, house care products, plastic goods, consumer non durables, etc. The FMCG market is highly concentrated in the urban areas as the rise in the income of the middle-income group is one of the major factors for the growth of the Indian FMCG market.

#### **4.2 Fast Moving Consume Goods (FMCG)**

Fast Moving consumer goods are those goods that are consumed every day by the average consumer and are replaced or fully used up over a short period of days, weeks, or months, and within one year. The Fast Moving Consumer Goods (FMCG), also known as Consumer Packaged Goods (CPG), is products that have a quick turnover and relatively low cost. Though the absolute profit made on FMCG products is relatively small, they generally sell in large numbers and so the cumulative profit on such products can be large. Fast moving consumer goods have a short shelf life, either as a result of high consumer demand or because the product deteriorates rapidly. Some Fast moving consumer goods – such as meat, fruits and vegetables, dairy products and baked goods – are highly perishable. Other goods such as alcohol, toiletries, pre-packaged foods, soft drinks and cleaning products have high turnover rates. Fast moving consumer goods are products that have a quick shelf turnover, at relatively low cost and don't require a lot of thought, time and financial investment to purchase. The margin of profit on every individual Fast moving consumer goods product is less. However the huge number of goods sold is what makes the difference. Hence profit in Fast moving consumer goods always translates to a number of goods sold. Fast Moving Consumer Goods is a classification that refers to a wide range of frequently purchased consumer products. Examples of FMCG generally include a wide range of frequently purchased consumer products such as toiletries, soap, cosmetics, teeth cleaning products, shaving products and detergents, as well as other nondurables such as glassware, bulbs, batteries, paper products and plastic goods. FMCG may also include pharmaceuticals, consumer electronics, packaged food products and drinks, although these are often categorized separately. Three of the largest and best known examples of Fast Moving Consumer Goods companies are Nestlé, Unilever and Procter & Gamble. Examples of FMCGs are soft drinks, tissue paper, and chocolate bars. Examples of FMCG brands are Coca- Cola, Kleenex, Pepsi and Believe Toiletries, Beauty Products, Home

Cosmetics, Packaged Food, Soft Drinks Household accessories are some of the best known examples of Fast Moving Consumer Goods A subset of FMCGs are Fast Moving Consumer Electronics which contain innovative electronic products such as mobile phones, MP3 players, digital cameras, GPS Systems, cell phones and Laptops which are replaced more frequently than other electronic products mainly due to technology changes. White goods in FMCG refer to large household electronic items such as refrigerators. Smaller items, TV sets, stereo systems etc. are sometimes termed Brown goods. Unlike other economy sectors, FMCG share float in a steady manner irrespective of global market dip, because they generally satisfy rather fundamental - as opposed to luxurious - needs.

#### ***4.2.1 Growth of FMCG in India***

The Indian FMCG sector with a market size of Rs. 9000 crore is the fourth largest sector in the economy. The FMCG market is set to double from Rs. 10000 crore in 2014- 15 to rupee 30000 in 2016. FMCG sector will witness more than 60 per cent growth in rural and semi - urban India by 2016. Indian consumer goods market is expected to reach Rs. 3500 crore by 2014. Hair care, household care, male grooming, female hygiene, and the chocolates and confectionery categories are estimated to be the fastest growing segments. At present, urban India accounts for 66% of total FMCG consumption, with rural India accounting for the remaining 34%. However, rural India accounts for more than 40% consumption in major FMCG categories such as personal care, fabric care, and hot beverages. In urban areas, home and personal care category, including skin care, household care and feminine hygiene, will keep growing at relatively attractive rates. Within the foods segment, it is estimated that processed foods, bakery, and dairy are long-term growth categories in both rural and urban areas. The growing incline of rural and semi - urban folks for FMCG products will be mainly responsible for the growth in this sector, as manufacturers will have to deepen their concentration for higher sales volumes. Major Players in this sector include Hindustan Unilever Ltd., ITC (Indian Tobacco Company), and Nestlé India, GCMF (AMUL), Dabur India, Asian Paints (India), Cadbury India, Britannia Industries, Procter & Gamble Hygiene and Health Care, Marico Industries, Nirma, Coca- Cola, Pepsi and others. As per the analysis by ASSOCHAM, Companies Hindustan Unilever Ltd, Dabur India originates half of their sales from rural India. While Colgate Palmolive India and Marico constitutes nearly 37% respectively, however Nestle India Ltd and GSK Consumer drive 25 per cent of sales from rural India. A

rapid urbanization, increase in demands, presence of a large number of young population, a large number of opportunities is available in the FMCG sector. The Finance Minister has proposed to introduce an integrated Goods and Service Tax by April 2014. This is an exceptionally good move because the growth of consumption, production, and employment is directly proportionate to reduction in indirect taxes which constitute no less than 35% of the total cost of consumer products -the highest in Asia. The bottom line is that Indian market is changing rapidly and is showing unprecedented consumer business opportunity. It is in this perspective we have decided to conduct a study of consumer Behaviour and Buying Decisions in respect of select FMCG products.

#### ***4.2.2 Characteristics of FMCG in India***

- **Branding:** Creating strong brands is important for FMCG companies and they devote considerable money and effort in developing brands. With differentiation on functional attributes being difficult to achieve in this competitive market, branding results in consumer loyalty and sales growth.
- **Distribution Network:** Given the fragmented nature of the Indian retailing industry and the problems of infrastructure, FMCG companies need to develop extensive distribution networks to achieve a high level of penetration in both the urban and rural markets. Once they are able to create a strong distribution network, it gives them significant advantages over their competitors.
- **Contract Manufacturing:** As FMCG companies concentrate on brand building, product development and creating distribution networks, they are at the same time outsourcing their production requirements to third party manufacturers. Moreover, with several items reserved for the small scale industry and with these SSI units enjoying tax incentives, the contract manufacturing route has grown in importance and popularity.
- **Large Unorganized Sector:** The unorganized sector has a presence in most product categories of the FMCG sector. Small companies from this sector have used their location advantages and regional presence to reach out to remote areas where large consumer products have an only limited presence. Their low cost structure also gives them an advantage.

### **4.2.3 Scope of the sector**

The Indian FMCG sector with a market size of Rs. 800 billion is the fourth largest sector in the economy. A well-established distribution network, intense competition between the organized and unorganized segments characterizes the sector. FMCG Sector is expected to grow by over 60% by 2016. That will translate into an annual growth of 10% over a 5-year period. It has been estimated that FMCG sector will rise from around Rs 10000 crores in 20015 to Rs 30000 crores in 2016. Hair care, household care, male grooming, female hygiene, and the chocolates and confectionery categories are estimated to be the fastest growing segments. Though the sector witnessed a slower growth in 2012-2014, it has been able to make a fine recovery since then. For example, Hindustan Levers Limited (HLL) has shown a healthy growth in the last quarter. An estimated double digit growth over the next few years shows that the good times are likely to continue.

### **4.2.4 Indian food industry**

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year. In India, the food sector has emerged as a high-growth and high-profit sector due to its immense potential for value addition, particularly within the food processing industry. The food industry, which is currently valued at Rs. 2500 billion, is expected to grow at a Compounded Annual Growth Rate (CAGR) of 11 per cent to Rs. 4300 billion by 2018. Food and grocery account for around 31 per cent of India's consumption basket. Accounting for about 32 per cent of the country's total food market, The Government of India has been instrumental in the growth and development of the food processing industry. The government through the Ministry of Food Processing Industries (MoFPI) is making all efforts to encourage investments in the business. It has approved proposals for joint ventures (JV), foreign collaborations; industrial licenses and 100 per cent export oriented units.

The Indian food and grocery market is the world's sixth largest, with retail contributing 70 per cent of the sales. Food has also been one of the largest segments in India's retail sector, which was valued at Rs. 32500 billion in 2013. The Indian food retail market is expected to reach Rs 61 lakh crore by 2020. The Indian food processing industry accounts for 32 per cent of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. It contributes around 14 per cent of manufacturing Gross Domestic Product (GDP), 13 per cent of India's exports and six per cent of total industrial investment. Indian food service industry is expected to reach Rs.

5200 billion by 2018. The Indian gourmet food market is currently valued at US\$ 1.3 billion and is growing at a Compound Annual Growth Rate (CAGR) of 20 per cent.

The online food ordering business in India is in its nascent stage, but witnessing exponential growth. The organised food business in India is worth US\$ 48 billion, of which food delivery is valued at Rs. 1000 billion. With online food delivery players like FoodPanda, Zomato, TinyOwl and Swiggy building scale through partnerships, the organised food business has a huge potential and a promising future.

The Indian Agricultural and Food industry are on the brink of a revolution that will modernize the entire food chain as the total food production in India are likely to double in the next 10 years. Food processing is a large sector that covers activities such as agriculture, horticulture, plantation, animal husbandry and fisheries. The food processing sector is critical to India's development, for it establishes a linkage between Industry and Agriculture. It has also emerged as one of the major drivers of economic growth.

Presently, most of the people would like to consume healthier and tasty food in 'ready to eat' form, in order to reduce the cost of time and work. Increased urbanization, improved standard of living and the convenience needs of dual income families spot to major market potentialities in the food processing sector. This is also evident from the presence of several global food giants and leading Indian industrial enterprises in the countries food processing sector such as: Nestle India Ltd, Cadbury's India Ltd, Kellogg India, Hindustan Lever Ltd, ITC-Agro, Godrej foods and MTR foods Ltd.

Besides in the current globalized era, our surplus food production as well as increasing preference for Indian food in several regions of the world needs to be leveraged to achieve economic and strategic objectives through exports.

#### ***4.2.5 Kerala food industry***

Kerala is bestowed with the best of what nature has to offer. The state of Kerala in the Indian union is characterized by a number of significant socio economic, industrial and political peculiarities. In spite of these favourable features, there exists high scope for further advancement in respect of industrial development in general and rural development in particular, given the current economic problems viz, high incidence of poverty, high rate of unemployment, fiscal crisis of the state government, informal nature of agriculture and industrial operations and acute infrastructural shortages.

Among the leading commercial and industrial centres of India Kerala offers a conducive environment for setting up any industry. Prominent sectors in Kerala are information technology, tourism, agro based business including food processing, readymade garments, Ayurvedic medicines, mining, marine products, light engineering etc. The key sectors in Kerala according to their contribution to the state GDP are – rubber, coir, tourism, food processing and chemicals and fertilisers.

There are around 1560 food processing units in Kerala alone. These processed units operate mainly in the small scale sector. Kerala is rich in coconut, spices, fruits, vegetables, sea food and processed foods. The spices, pickles and the marine products are the major food product export from Kerala. The state could emerge as plantation based food products exporter through value addition. Its share in the country's total food products export is almost 20 per cent despite the limited size of the landmass. Two thirds of Kerala's export income comes from processed food. The food processing sector in the state commands nearly Rs 8500 crores in exports and has a potential to become Rs 30, 000 crores worth industry.

Food processing industry (FPI) is significant to the Kerala economy on account of its contribution to the food requirements. Assessment of the FPI in the perspective of Kerala economy has employment orientation too. Kerala with its industrial paucity offers very little for huge industrial establishments. FPI which is highly labour intensive is suitable to be organised in the small-scale sector. FPI which is termed as the sunrise sector is expected to attract phenomenal investment-capital, human, technological and financial. For a successful food processing sector various aspects such as quality control, quality systems and quality assurance, the constituents of total quality management should function in a horizontal fashion. On the basis of the above mentioned facts we can summarise that, food processing sector has the potential to make the growth sustainable and more inclusive. The importance of the sector is further enhanced by the fact that over 70 per cent of the population depends on agricultural activities for livelihood.

The government has, therefore, been focusing on commercialisation and value addition to agricultural produce; minimise pre/post-harvest wastage, generating employment export growth in this sector through a number of regulatory and fiscal incentives. With changing foods consumption pattern, processed food which is convenient, hygienic and of consistent quality are set to grow in value.

**DOUBLE HORSE -AN**  
**ANALYSIS** 

## Chapter 5

### DOUBLE HORSE – AN ANALYSIS

#### 5.1 Introduction

The present study has started with two major objectives. They are to study the effectiveness of marketing mix of DOUBLE HORSE, to analyse the strength and weakness of marketing mix used by Double Horse and suggest improvements. Manjilas started its operation in the year 1959 with the objective of providing the pure rice and other food products to customers. Today from a single unit company, Manjilas has grown in the brand of Double Horse into a 400 crore conglomerate with well diversified operation and markets a presence of extending beyond the boundaries of Kerala. Double Horse manufactures and markets a variety of food products from rice powder to ready to eat payasam. Double Horse has also entered into the technological alliances with world leaders in the respective FMCG fields, sourcing from them the latest in technology.

The respondents of the sample survey for the study on the effectiveness of marketing mix in DOUBLE HORSE PRODUCTS is 120 customers and 10 retail shops which were selected by using purposive sampling from Chalakkudy. The data collected from the respondents are analysed using different statistical tools for studying the marketing mix in DOUBLE HORSE PRODUCTS. The results are as shown below under different heads. The first section includes the socio-economic characteristics of sample respondents and the second section depicts the effectiveness of marketing mix by analysing the opinion of customers.

#### 5.1 Socio-economic characteristics of respondents

For analysing the socio economic characteristics of the respondents four indicators are taken, viz., Age, place of residence, and purchase pattern and factors lead to purchase which are depicted in the following tables. The socio economic characteristics of the respondents were analysed to have clear picture about the respondent's basic background.

##### 5.1.1 Age of sample respondents

The sample respondents were divided into six groups based on their age. The results obtained were illustrated below.

**Table 5.1 Age wise classification of the respondents**

		N=120
Age	Frequency	Per cent
20-30	24	20
31-40	38	32
41-50	16	13
51-60	26	22
61-70	16	13
Above 70	0	0
<b>Total</b>	<b>120</b>	<b>100</b>

Source: Primary data

Above table 5.1 shows the respondent's age wise classification, Table 5.1 shows that 20 per cent fall between the age group of 20-30 and 32 per cent of the respondents belong to both the age group 31-40 and 16 per cent from above 60 years.

### 5.1.2 Classification of respondents based on place of residence

The respondents were divided into three categories based on their place of residence. The results obtained were represented in table 5.2.

**Table 5.2 Place of residence of respondent**

		N=120
Residence	Frequency	Per cent
Urban	22	18
Semi urban	80	67
Rural	18	15
<b>Total</b>	<b>120</b>	<b>100</b>

Source: Primary data

The table 5.2 shows the respondent's place of residence. 67 per cent of the respondents are from semi urban areas like Mannuthy, Chalakudy, and Kunnankulam etc. and 18 per cent of people from rural areas like Guruthippala, Annalloor, Kottat, etc. and 22 per cent from urban areas like Thrissur town.

### 5.1.3 Frequency of buying the Double Horse Products

The frequency of buying of Double Horse products was categorized to 'twice in a week', 'once in a week' 'once in two weeks', 'once in a month' and 'not frequently'.

**Table 5.3 Frequency of buying the Double Horse products****N=120**

<b>Statements</b>	<b>Frequency</b>	<b>Per cent</b>
Twice in a week	12	10
Once in a week	20	17
Once in two week	25	21
Once in a month	50	42
Not frequently	13	11
<b>Total</b>	<b>120</b>	<b>100</b>

Source: Primary data

Above table 5.3 Shows the respondent's frequency of the purchasing the Double Horse products. 50 per cent of the respondents are once in a month or once in two weeks buying the Double Horse products. Only 13 per cent of the respondents are buying the Double Horse products twice in a week. But once in a week 23 per cent respondents are buying the Double Horse Products.

#### 5.4 Factors Affecting Buying Decision

The preference of the people will be different from person to person. There are different factors that affect the purchase decision of the customers. The factors that affect the brand preference of customers are quality, price, availability, and promotion. Other reasons may also influence the purchase decision. The factors that influence the purchase decision of the customers are as given below.

**Table 5.4 Factors Effecting Buying Decision****N=120**

<b>Reason</b>	<b>Frequency</b>	<b>Per cent</b>
Quality	30	25
Price	20	17
Availability	50	42
Advertisement	10	8
Others specify	10	8
<b>Total</b>	<b>120</b>	<b>100</b>

Source: Primary data

From the above table it is evident that majority of the respondents buy the preferred brand on the basis of its availability. Quality is the second factor that influences the purchase decision of the customers. Only 25 per cent of the customers buy their products based on the quality. 17 per cent of the respondents buy the product due to price of the brand. 8 per cent of the people purchase the product due to the advertisement.

## 5.2 Effectiveness of marketing mix

The effectiveness of marketing mix of Double Horse Products were analysed according to the opinion of customers and retailers. The four domains of marketing mix i.e., product, price, place and promotion were considered. Under the first domain the variables selected to analyse were quality, attractive factor of product, packaging, quantity and product line. The variables under second domain were affordability, price competition, value for price, influence of price of products, comparison of price with similar products. The third domain contains three variables like influence of availability in purchase decision, place of purchase and satisfaction of availability. The fourth domain contains five variables. They are awareness, advertisement influence, information availability, satisfaction of promotion, expected method of promotion. The products which considered for the study were rice powders, spices and ready to mix products, instant sweet dishes and pickles

### 5.2.1 Product

#### 5.2.1.1 Product attributes

The satisfaction of product based on its different attributes such as its quality, packaging and quantity was assessed here. The classification was done like highly satisfied, satisfied, somewhat satisfied, dissatisfied, highly dissatisfied.

Table 5.5 Product attributes

N=120

Statements	Response					Index	Zone
	Highly satisfied	Satisfied	Somewhat satisfied	Dissatisfied	Highly dissatisfied		
Quality	30	64	26	-	-	80.67	Good
Packaging	20	76	20	4	-	78.67	Good
Quantity	14	80	26	-	-	78.00	Good
<b>Composite Index</b>						<b>79.11</b>	<b>Good</b>

Source: Primary data

From table 5.5 it is evident that the composite index value obtained for product attributes was 79.11, which meant that attributes of products is effective.

### 5.2.1.2 Attractive factor of product

The factors which effect the attractiveness of the product was ranked according to the opinion of respondents.

**Table 5.6 Attractive factor of the product**

Factor	N=120	
	Rank score	Rank
Taste	292	1
Smell	360	3
Ingredients	317	2
Shelf Life	464	5
Usability	367	4

Source: Primary data

From table 5.6 it can be observed that out of the five factors taste is the most attractive factor followed by ingredients of the product, smell and usability. Shelf life ranked the least which indicates that the usability is the least attractive factor of the product.

### 5.2.1.3 Product line

The total products of Double Horse were divided into ten categories. The respondents were asked to record how many products are they aware of. The results obtained were illustrated below

**Table 5.7 Product line**

Awareness	N=120	
	Frequency	Per cent
All products	-	-
Less than 5	34	28
More than 5	86	72
<b>Total</b>	<b>120</b>	<b>100</b>

Source: Primary data

Out of the 120 respondents 28 per cent of the employees are aware of less than 5 products. And majority of the respondents (86 per cent) are aware of more than 5 products. None of the respondents are aware of all the products.

#### **5.2.1.4 Need of change**

Respondent's opinion towards the need for any change with regard to the presentation of Double Horse products was elucidated.

**Table 5.8 Need of change in product**

		N=120	
Changes	Frequency	Per cent	
Yes	46	38	
No	74	62	
<b>Total</b>	<b>120</b>	<b>100</b>	

Source: Primary data

The table 5.9 shows that 62 per cent of customers say that they don't need any change in existing products.

#### **5.2.2 Price**

##### **5.2.2.1 Affordability**

The response of customers based on the affordability of price of the product is illustrated here.

**Table 5.9 Affordability of Price of the Product**

		N=120	
Response	Frequency	Per cent	
Yes	86	72	
No	34	28	
<b>Total</b>	<b>120</b>	<b>100</b>	

Source: Primary data

Out of the 120 sample respondents 72 per cent explains that the price of the product is affordable. And 34 per cent said that the price is not affordable.

### 5.2.2.2 Price competitiveness

The satisfaction towards the price of Double Horse products compare to its competitors. The classification was done like highly satisfied, satisfied, somewhat satisfied, dissatisfied, highly dissatisfied.

**Table 5.10 Price Competitiveness of DH products**

N=120

Satisfaction	Frequency	Index
Highly satisfied	-	-
Satisfied	48	32
Somewhat satisfied	56	28
Dissatisfied	16	5.33
Highly dissatisfied	-	-
<b>Total</b>	<b>120</b>	<b>65.33</b>

Source: Primary data

From table 5.11 it is evident that 48 respondents are satisfied with the price compare to the competitors none of them were highly satisfied. At the same time 56 respondents were somewhat satisfied with the price compare to the competitors. 16 respondents are dissatisfied. The index value obtained for price competition was 65.33 it indicates that it is not effective.

### 5.2.2.3 Value for Price

The respondents were asked to mark their responses on three categories viz., always, sometimes, never.

**Table 5.11 Value for Price**

N=120

Response	Frequency	Per cent
Always	30	25
Some times	86	72
Never	4	3
<b>Total</b>	<b>120</b>	<b>100</b>

Source: Primary data

From the results it is clear that only 25 per cent of the respondents recorded their response 'always' and 72 per cent have an opinion as sometimes and three per cent marked as

never. Hence it can be concluded that sometimes the customers are not getting the expected quantity or quality for the price they paid.

#### 5.2.2.4 Opinion about pricing of product

The opinion of the respondents about its pricing was measured as high pricing, reasonable pricing and low pricing.

**Table 5.12 Opinion about pricing of product**

		N=120	
Response	Frequency	Per cent	
High pricing	72	60	
Reasonable pricing	48	40	
Low pricing	-	-	
<b>Total</b>	<b>120</b>	<b>100</b>	

Source: Primary data

From table 5.13 It is clear that 60 per cent of the Customers have the opinion that the pricing of Double Horse is really high and 40 per cent says that it reasonable so it is clear that customers are not that much satisfied with the pricing of Double Horse.

#### 5.2.2.5 Influence of price

The influence of price in purchasing decision of Double Horse products is illustrated here. The respondents were asked to mark their responses on three categories viz., All products, only some products, and never.

**Table 5.13 Influence of price**

		N=120	
Response	Frequency	Per cent	
All products	-	-	
Some products	40	33	
Never	80	67	
<b>Total</b>	<b>120</b>	<b>100</b>	

Source: Primary data

From the results it is clear that 40 per cent of the respondents recorded their response 'only some products' and 67 per cent says that there is no influence of price in their purchase

decision of Double Horse products. Hence it can be concluded that there is no that much influence of price in the case of Double Horse products.

#### 5.2.2.6. *Competitive advantage.*

The opinion of customer about the availability of competitive products which have good quality in the same price of Double Horse products is recorded here. The respondents were asked to mark their responses on three categories viz., always, sometimes, never.

**Table 5.14 Competitive Advantage**

N=120		
Response	Frequency	Per cent
Always	20	17
Some times	65	54
Never	35	29
<b>Total</b>	<b>120</b>	<b>100</b>

Source: Primary data

From the results it is clear that 17 per cent of the respondents recorded their response 'always' and 54 per cent have an opinion as sometimes and 29 per cent marked as never. Hence it can be concluded that availability of complete products which have good quality with the same or lesser price compare to Double Horse is there.

#### 5.2.3 Place

##### 5.2.3.2. *Influence of availability in purchase decision.*

The influence of availability in purchasing decision is illustrated here. The respondents were asked to mark their responses on three categories viz., yes, some times, never.

**Table 5.15 Influence of availability in purchase decision**

N=120		
Response	Frequency	Per cent
Always	62	52
Some times	38	32
Never	20	17
<b>Total</b>	<b>120</b>	<b>100</b>

From the results it is clear that 52 per cent of the respondents recorded their response 'always' and 32 per cent says that sometimes availability have an influence in their purchase decision. Only 17 per cent says that there is no influence for availability in their purchase decision. Hence it can be concluded that availability have a huge role in purchasing decision.

### 5.2.3.1. Place of purchase.

The place where the respondent usually purchases the product is analysed here. The respondents were asked to mark their responses on five categories viz., Hyper/super market, Wholesalers, Supplyco/Maveli stores, Retailers, Others.

**Table 5.16 Place of purchase**

		N=120	
Response	Frequency	Per cent	
Hyper/super market	77	64	
Wholesalers	21	18	
Supplyco/Maveli stores	12	10	
Small Retail shops	10	8	
Others	-	0	
<b>Total</b>	<b>120</b>	<b>100</b>	

Source: Primary data

From the results it is clear that 64 per cent of the customers purchased the products from hyper/super markets, 18 per cent customers purchase from wholesalers, 10 per cent from maveli stores and only 8 per cent purchase from small retail shops. Hence it can be concluded that availability have a huge role in purchasing decision there is no availability for Double Horse in most of the retail shop .

### 5.2.3.3. Satisfaction on availability

The satisfaction on availability of product was assessed here. The classification was done like highly satisfied, satisfied, somewhat satisfied, dissatisfied, highly dissatisfied.

**Table 5.17 Satisfaction on availability**

N=120		
Satisfaction	Frequency	Index
Highly satisfied	-	-
Satisfied	30	20
Somewhat satisfied	52	26
Dissatisfied	24	8
Highly dissatisfied	14	2.33
<b>Total</b>	<b>120</b>	<b>56.33</b>

Source: Primary data

From table 5.17 it is evident that 30 respondents are satisfied with the availability of the product and none of them were highly satisfied. At the same time 52 respondents were somewhat satisfied with the availability of the product. 24 respondents are dissatisfied and 14 were highly dissatisfied. The index value obtained for product availability was 56.33 it indicates an average index zone.

#### 5.2.3.4. Availability of the brands.

The availability in the respondent's area in retail stores were analysed here. The respondents were asked to mark their responses on three categories viz., all products, some products, not available.

**Table 5.18 Availability of brands in local area**

N=120		
Response	Frequency	Per cent
All products	-	-
Some products	24	20
Not available	96	80
<b>TOTAL</b>	<b>120</b>	<b>100</b>

Source: Primary data

From the results it is clear that only 20 per cent of respondents get products on their locality in retail shops but they don't get all the products and the remaining 80 per cent were not get the products from the retail shops in their locality. It is understand that availability of Double Horse products in retail stores is very rare.

### 5.2.3.4. Ranks on the basis of local availability.

The respondents rank the brands on the basis of availability on their area. Ranks were recorded from 1 to 6.

**Table 5 .19 Availability in local area**

		N=120	
Brand	Rank score	Rank	
Eastern	326	1	
Nirapara	408	3	
Modern	... 374	2	
Kaula	564	5	
Double Horse	410	4	
Others	438	6	

Source: Primary data

From table 5.19 it can be observed that out of the six brands eastern is the number one brand on the basis of local distribution followed by Modern, Nirapara ,Double Horse, Kaula and others. From this understood that there is no effective reachability for Double Horse product in retail shops.

### 5.2.4 Promotion

#### 5.2.4.1 Awareness

Here analyses from where the respondents heard about the products options given for that, TV, Newspaper, Friends or relative, Direct contact, Others specify.

**Table 5.20 Awareness**

		N=120	
Media	Frequency	Per cent	
TV	38	32	
News paper	30	25	
Friends or relative	18	15	
Direct contact	-	-	
Others	34	28	
<b>Total</b>	<b>120</b>	<b>100</b>	

From table 5.20 it can be observed that out of five options 32 per cent got awareness from TV, 25 per cent from newspaper, 28 per cent from other media and 15 per cent from friends.

#### 5.2.4.2 Influence of advertisement

The influence of advertisement in purchasing decision is illustrated here. The respondents were asked to mark their responses on three categories viz., yes, some times, never.

**Table 5.21 Influence of advertisement**

	N=120	
<b>Response</b>	<b>Frequency</b>	<b>Per cent</b>
Always	32	27
Some times	70	58
Never	18	15
<b>Total</b>	<b>120</b>	<b>100</b>

Source: Primary data

From the results it is clear that 27 per cent of the respondents recorded their response 'always' and 58 per cent says that sometimes advertisement have an influence in their purchase decision. Only 15 per cent says that there is no influence for advertisement in their purchase decision. Hence it can be concluded that advertisement have a huge role in purchasing decision.

#### 5.2.4.3 Familiarity of advertisement

The section analysed the familiarity of advertisement. The respondents reacted according to the options, yes, no.

**Table 5.22 Familiarity of advertisement**

	N=120	
<b>Response</b>	<b>Frequency</b>	<b>Per cent</b>
Yes	120	100
No	-	-
<b>Total</b>	<b>120</b>	<b>100</b>

Source: Primary data

From the results it is clear that all the respondents were saw the advertisements at least once. Hence it can be concluded that respondents are familiar.

#### 5.2.4.4. Information availability.

This section represents the availability of adequate information to the customers. The responses were marked in to four categories as always, sometimes, maybe, never.

**Table 5.22 Information availability**

		N=120	
Response	Frequency	Per cent	
Always	18...	15	
Sometimes	52	43	
May be	40	33	
Never	10	8	
<b>Total</b>	<b>120</b>	<b>100</b>	

Source: Primary data

From the results it can be concluded that only 15 per cent of the customers are getting adequate information about the products and 43 per cent customers sometimes get the information adequately. Hence the overall information adequacy of the Double Horse products is relatively low.

#### 5.2.4.5. Promotional satisfaction

The promotional satisfaction of customers was measured into four scales as highly satisfied, satisfied, somewhat satisfied, dissatisfied and highly dissatisfied.

**Table 5.23 Promotional satisfaction**

		N=120	
Satisfaction	Frequency	Index	
Highly satisfied	-	-	
Satisfied	30	20	
Somewhat satisfied	68	34	
Dissatisfied	22	7.33	
Highly dissatisfied	-	-	
<b>Total</b>	<b>120</b>	<b>61.33</b>	

From table 5.23 it is evident that 30 respondents are satisfied with the promotional activities and none of them were highly satisfied. At the same time 68 respondents were somewhat satisfied with the promotional activities. 22 respondents are dissatisfied. The index value obtained for promotional activities was 61.33 it indicates an average index zone.

#### 5.2.4.6. *Type of promotion*

The preference of customers from various promotional activities are analysed here promotional satisfaction of customers was measured from five options as TV, Print media, Free samples, Exhibitions and Others.

**Table 5.24 Type of promotion**

N=120		
Response	Frequency	Per cent
TV	64	53
Print media	28	23
Free samples	12	10
Exhibitions	10	8
Others	6	5
<b>Total</b>	<b>120</b>	<b>100</b>

Source: Primary data

As per the result it is clear that more than 70 per cent of customers were preferred advertisement through TV and print media. 10 per cent prefer providing free samples and 8 per cent preferred exhibitions. It's concluded that most preferred promotional activity is advertisement.

#### 5.2.4.7. *Satisfaction on brand Double Horse.*

The satisfaction of brand Double Horse was measured into five scales as highly satisfied, satisfied, somewhat satisfied, dissatisfied and highly dissatisfied.

**Table 5.25 Satisfaction on brand Double Horse**

N=120

Satisfaction	Frequency	Index
Highly satisfied	4	3.33
Satisfied	52	34.67
Somewhat satisfied	64	32.00
Dissatisfied	-	-
Highly dissatisfied	-	-
<b>Total</b>	<b>120</b>	<b>70.00</b>

Source: Primary data

From table 5.25 it is evident that 52 respondents are satisfied with the brand and 4 of them were highly satisfied. At the same time 64 respondents were somewhat satisfied with the brand. None of the respondents are dissatisfied. The index value obtained for brand satisfaction was 70.00 it indicates a good index zone.

#### 5.2.4.7. Purchase on Retailers recommendation.

The response of customers was marked towards the retailer's preference to the brand. The responses were categorized as always, sometimes and never.

**Table 5.26 Purchase on Retailers recommendation**

N=120

Response	Frequency	Per cent
Always	-	-
Some times	38	32
Never	82	68
<b>Total</b>	<b>120</b>	<b>100</b>

Source: Primary data

Table 5.26 depicts that 68 per cent of the customers never got retailers recommendation to buy the Double Horse product. 32 per cent of the customers sometimes got the suggestion from the retailer to buy the product.

#### 5.2.5 Retailers

Here analysing the retailer's opinions about Double Horse.

### 5.2.5.1 Retailers Ranking.

Retailers rank the brands on the basis of sales. Ranks were recorded from 1 to 6

**Table 5.27 Retailers Ranking.**

Brand	Rank score	Rank
Eastern	20	1
Nirapara	25	2
Modern	27	3
Kaula	32	5
Double horse	30	4
Others	33	6

Source: Primary data

From table 5.27 it can be observed that out of the six brands eastern is the number one brand on the basis of sales followed by Nirapara , Modern ,Double Horse, Kaula and Others. From this understood that the performance of Double horse is not good in retail shops.

### 5.2.5.2 Satisfaction towards Double Horse.

Here ask the retailers to rate the factors according to their satisfaction such as strongly agree, Agree, No opinion, Disagree, Strongly agree.

**Table 5.28 Satisfaction towards Double Horse**

Factors	Index	Zone
Effective promotion	58	Average
Good quality	96	Effective
Efficient distribution system	55	Average
High customer demand	72	Effective
High margin	56	Average
Brand image	80	Effective
Affordable pricing	84	Effective
Attractive promotion strategy	46	Average

<b>Composite index</b>	<b>68.38</b>	<b>Effective</b>
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From table 5.28 it is evident that the index value obtained for brand image, affordable pricing and customer demand quality is more than 70.00 it indicates a good index zone. And the index of quality is 95 it says that quality is highly satisfied. Index of Distribution system and margin were between 50 and 70 it is in average zone and the remaining factors very poor. It's inferred that quality of Double Horse product is highly satisfied and the promotion is the most dissatisfied factor.

### 5.3 SWOC Analysis of Marketing Mix

A SWOC analysis has been conducted on the marketing mix of Double Horse on the basis of responses of customers and retailers.

**Table 5.3.1 SWOC Analysis of Marketing Mix**

<b>Strength</b>	<b>Weakness</b>
<ol style="list-style-type: none"> <li>1. Satisfaction on quality</li> <li>2. Packaging of product</li> <li>3. Quantity of product</li> <li>4. Affordable price</li> <li>5. Competition of price and quality</li> <li>6. Competition of price and quality</li> </ol>	<ol style="list-style-type: none"> <li>1. Awareness about product line</li> <li>2. Non availability throughout</li> <li>3. Lack of information</li> <li>4. Low satisfaction on promotion</li> </ol>
<b>Opportunity</b>	<b>Challenge</b>
<ol style="list-style-type: none"> <li>1. Value consciousness</li> <li>2. Influence of advertisement</li> <li>3. Acceptance of TV advertisement</li> </ol>	<ol style="list-style-type: none"> <li>1. Competition from other brands</li> <li>2. Retailers recommendation to customers</li> </ol>

SWOC analyses of marketing mix done among the retailers and customers in the study area are presented in Table 5.3.1. It can be inferred that the product element of the mix was the main strength of the marketing mix. Quality, quantity packaging, affordable price of the products and overall satisfaction of the brand are rated as the strengths of the brand. Double Horse has more than 200 products under 10 category but most of the consumers were not aware about the products so lack of awareness about the products is one of the major

weakness of the Company .Company is not giving much importance to the retailers as was clearly observable from this study. The availability of the products in ordinary retail shops is rare and this was another weak point of the company. Promotional activities of the company are not up to the satisfaction level and adequate information's were not given the customers regularly, which is also another weak point of the company. Regarding Double Horse most of the customers were not concerned about the price, which stands as an opportunity to the company to produce good quality products. Advertisement has a huge roll in customers purchase decision making. In the case of Double Horse products there is every opportunity to increase sales, if the company concentrate little more on their promotional activities, especially through TV. At present, the competition is increasng in the market and good quality products of other brands are also available in the market, which pose one of the major challenges to Double Horse.

Generally, in the case of FMCG products retailers have a huge role in creating sales but in the case of Double Horse retailers are not pushing the product to the market. Hence it could be concluded that even though the product mix is major strength of the company, concerted efforts at improving the promotion and distribution is needed to increase the sales and remain competitive in the market.

#### **5.4 Conclusion**

This chapter examined the customer's and retailer's response towards marketing mix and effectiveness of marketing mix of Double Horse. Effectiveness of marketing mix is studied on the basis of satisfaction level captured with the help of rank score and index. The strength and weakness analysed on the basis of response of customers and retailers were ranked and measured using different zones such as efficient, good, average, poor, and very poor. The analysis indicated that the marketing mix of Double Horse is not fully effective.

The product mix is the only element which indicted some level of satisfaction and could be rated as an effective element of marketing mix. Distribution is the weakest element in the marketing strategy followed by the promotion. .As price is not a decisive factor; the effectiveness of price is not noticeable. As per SWOC analysis, the product mix is major strength of the company. But promotion and distribution need to improve much.

**SUMMARY OF FINDINGS,**

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**CONCLUSION AND**

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**SUGGESTIONS** 

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## Chapter 6

### SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION

#### 6.1 Introduction

The result of every business is its profit. Producing a good quality product or service alone will never lead the business in to success. The business need to attract customers to their business or force to purchase their products through different marketing technics the effective mix of marketing elements such as product, price, place, promotions are needed for that.

This chapter summarises the major findings and suggestions of the study named “a study on effectiveness of marketing mix of Double Horse “on the basis of analysis of the survey conducted among customers and retailers.

#### 6.2 Findings

##### 6.2.1. *Socio-economic characteristics of respondents*

1. 52 per cent the respondents are between the age group of 20-40.
2. The majority (67 per cent) of the respondents were from the semi-urban area and 18 per cent of them from urban areas.
3. 89 per cent of the respondents were frequently buying the Double Horse products, at least one in a month.
4. Majority of the respondents buy the preferred brand on the basis of its availability.

##### 6.2.2. *Effectiveness of marketing mix*

###### 6.2.2. a) *Product*

1. The index value obtained for product quality was 80.67 it shows that quality of the products are good and it is effective.
2. Taste is the most attractive factor followed by ingredients of the product, smell and usability. Shelf life ranked the least which indicates that the usability is the least attractive factor of the product.
3. The index value obtained for product packaging was 78.67. It indicates that packaging of the products is good and it is effective.
4. The quantity wise packaging of Double Horse product is good and effective.

5. Double Horse has a lengthy product line which is not that much familiar to the customers retailers and there was no customer who fully aware about all the products.
6. 62 per cent of customers say that they don't need any change in existing products

#### **6.2.2. b) Price**

1. Majority of customers are saying that the price of products is affordable.
2. The index value obtained for price competition was 65.33 it indicates that the price of products compare to its competitors are not good and not effective.
3. Sometimes the customers are not getting the expected quantity or quality for the price they paid.
4. 60 per cent of the customers have the opinion that the pricing of Double Horse is really high.
5. There is not that much influence of price in the case of Double Horse products.
6. Availability of competitive products which have good quality with the same or lesser price compare to Double Horse is there.

#### **6.2.2. c) Place**

1. In the case of FMCG products availability have a huge role in purchasing decision.
2. There is no availability for Double Horse in most of the small retail shop its shows that the distribution is not that much effective
3. The index value obtained for product availability was 56.33 it indicates that the distribution is average it is not effective.
4. It is understand that availability of Double Horse products in rural area is very rare.
5. Frome the study we can understand that there is no effective reachability for Double Horse product in retail shops.

#### **6.2.2. d) Promotion**

1. 32 per cent of customers aware the product from TV.
2. Advertisement has a huge role in purchasing decision of FMCG products.
3. It is understood that all the respondents were saw the advertisements at least once.
4. The overall information adequacy of the Double Horse products is relatively low and not effective.
5. The index value obtained for promotional activities was 61.33 it indicates that the promotional activities were not good and effective.
6. Most preferred promotional activity is advertisement.

7. The index value obtained for brand satisfaction was 70.00 it indicates as a brand Double Horse is good
8. 68 per cent of the customers never got retailers recommendation to buy the Double Horse product.

#### **6.2.2. e) Retailers**

1. Ranking given by the retailers to Double Horse on the basis of sales is 4 this is understood that there is no effective reachability for Double Horse product in retail shops.
2. Index of Distribution system and margin were between 50 and 70 it is in average zone and the remaining factors very poor. It's inferred that quality of Double Horse product is highly satisfied and the promotion is the most dissatisfied factor.

#### **6.2.3 SWOC Analysis of Marketing Mix**

1. As per SWOC analysis product mix is major strength of the company. Promotion and distribution is needed to improve.

#### **6.3 Major Suggestions**

1. The product line of the company is very lengthy it have more than 200 products under different category but most of the customers are not aware about the all products and some of the products have not that much customers if the company focus on the best moving goods and give adequate information through promotion will help to improve their turn over.
2. Main strength of the Double Horse products is its quality but some competitors also giving better quality products in the market in some similar category so Double Horse need to focus the competitors.
3. One of the most in effective and weak point of Double Horse products is its Physical distribution the company need to focus more in this area because the availability of the products in retail shops is very low at the same time other competitor products are easily available in shops it will lead to lose the total sales of Double Horse in future.
4. Another weak point of The Company is its promotion Double Horse should improve their promotional activities to serve adequate information about the products and it is better to use advertisement through television to attract the customers.

5. Company need to take effective steps to push the product to the market through retailers because in the case of FMCG products retailers have a huge roll in customers decision making.

#### 6.4 Conclusion

The study on the effectiveness of marketing mix of Double Horse revealed that the existing marketing mix is not much effective. Since the brand is facing stiff competition among the competitors, the marketing mix policies has to be improved. The product mix of the company is very good and effective. However the promotion and the distribution channel is poor. Since the promotional activities carried out are less, it does not have much popularity as that of other competitors. Hence the company should adopt certain measures to increase the popularity, awareness and publicity of the product. The distribution has to be increased in order to reach the customers easily. The top level management should take certain measures to improve the marketing mix of Double Horse so as to increase the market share of the product.

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**APPENDIX** 

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## APPENDIX

KERALA AGRICULTURAL UNIVERSITY

COLLEGE OF CO-OPERATION, BANKING AND MANAGEMENT

A STUDY ON EFFECTIVENESS OF MARKETING MIX OF

DOUBLE HORSE

INTERVIEW SCHEDULE – QUESTIONNAIRE FOR CUSTOMERS OF

DOUBLE HORSE ...

(FOR ACADEMIC PURPOSE ONLY)

### Customer survey

Name:

Age:

Place:

Place of residence:

- a. Urban
- b. Semi urban
- c. Rural

1. How frequently you buy Double Horse products?

- a. Twice weekly
- b. Once in a week

- c. Once in two weeks
  - d. Once in a month
  - e. Not frequently
2. What make you a user of a product?
- a. Quality
  - b. Price
  - c. Availability
  - d. Advertisement
  - e. Others

**PRODUCT**

1. What is the most attractive factor of the Double Horse products? Rank 1 to 5 according to your opinions
- a. Taste
  - b. Smell
  - c. Ingredients
  - d. Shelf life
  - e. Usability

2. How many products of Double Horse do you know?

**Products of Double Horse:**

Rice	Rice Powders
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Health Products	Spices and Ready to Mix Product
Instant Sweet Dishes	Coconut Product/Pickle
Ready to Cook	Ready to Eat
Double Horse Oats	Double Horse Chakkavaratty

a. All Products

b. Less than 5

c. More than 5

3. Is there any changes you need in Double Horse products?

a. Yes

If yes specify...

b. No

I. Please indicate the extent to which you agree with the following statements:  
(Kindly put tick (✓) in the appropriate column)

SI. No	Questions	Highly Satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied
1.	Are you satisfied with the quality of Double Horse products?					
2.	Are you satisfied with the packaging of Double Horse products?					
3.	Are you satisfied with the available different quantity packets of Double Horse products?					

**PRICE**

1. Is the price of Double Horse products affordable for your income?

a. Yes

- b. No
2. Are you satisfied with price of Double Horse products compared to other competitors?
- a. Highly satisfied
  - b. Satisfied
  - c. Somewhat satisfied
  - d. Dissatisfied
  - e. Highly dissatisfied
3. Do you get the product of good quality and quantity for the amount paid?
- a. Always
  - B. Some times
  - c. Never
4. What you think about the pricing of Double Horse products?
- a. High pricing
  - b. Reasonable pricing
  - c. Low pricing
5. Considering Double Horse, is the price a major factor of buying decision?
- a. All products
  - b. Only some products
  - c. Never
6. Do you know any other products which provide same or better quality compare to Double Horse in the same or low price?
- a. Yes
  - b. Some products

c. No

## PLACE

1. Do you buy the products based on the availability?
  - a. Always
  - b. Some times
  - c. Never
2. From where did you use to buy the products usually?
  - a. Hyper/super market
  - b. Wholesalers
  - c. Supplyco/Maveli stores
  - d. Small Retail shops
  - e. Others
3. Are you satisfied with the availability of the products?
  - a. Highly satisfied
  - b. Satisfied
  - c. Somewhat satisfied
  - d. Dissatisfied
  - e. Highly dissatisfied
4. Do you get Double Horse products in retail shops in your area?
  - a. All products
  - b. Some products
  - c. Not available
5. Kindly rank the products on the basis of availability in your area?

- a. Eastern
- b. Nirapara
- c. Modern
- d. Kaula
- e. Double Horse
- f. Others

### PROMOTION

1. How did you hear about the product?
  - a. TV
  - b. News paper
  - c. Friends or relative
  - d. Direct contact
  - e. Others specify
2. Does the advertisement influence you in purchase decision?
  - a. Always
  - b. Some times
  - c. Never
3. Have you ever seen Double Horse products advertisements?
  - a. Yes
  - b. No
4. What comes to your mind when you hear about Double Horse products?
  - a. Quality
  - b. Package

c. Taste

d. Price

e. Popularity

5. Is the company provides up to date information about the products?

a. Yes

b. Sometimes

c. May be

d. Never

6. Which type of advertisement you give importance?

a. TV

b. Print media

c. Free samples

d. Exhibitions

e. Others

7. Any retailer ever recommended you to purchase Double Horse products?

a. Always

b. Some times

c. Never

II. Please indicate the extent to which you agree with the following statements:  
(Kindly put tick (✓) in the appropriate column)

Sl. No	Questions	Highly Satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied
1.	Are you satisfied with the offers and					

	discounts provided by the company?					
2.	How satisfied are you with the brand Double Horse?					

**RETAILER**

1. Name of the Shop:

2. Place:

3. Rank the brands based on the sales

Brands	Rank
Eastern	
Nirapara	
Double Horse	
Modern	
Kaula	
Others (specify)	

4. Retailers satisfaction towards Double Horse products

Factors	Strongly agree	Agree	No opinion	Disagree	Strongly disagree
Effective promotion					
Good quality					
Efficient distribution system					
Easy availability					
High customer demand					
High margin					
Brand image					
Affordable pricing					
Attractive promotion strategy					

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