



SUMMER INTERNSHIP REPORT



Aadishwar Food Products

“Customer Acquisition, Digital Marketing and B2B Channel Development”

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Faculty Mentor	Mr. Parag Rijwani
Organization Mentor	Mr. Dharmendra Surana

UNDERTAKING

To Whomsoever It May Concern

I, Jairaj Singh, hereby declare that this report is my original work and is not copied from anyone/ anywhere. If found similar to other sources, I shall take complete responsibility of the action taken thereof by Institute of Management, Nirma University.

Signature:

A handwritten signature in blue ink, appearing to read 'Singh', with a stylized flourish underneath.

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Batch: MBA-FT (2019-21)

Date: 14.07.2020

ACKNOWLEDGEMENT

Working for Aadishwar Food Products has been a great experience in terms of learning and professional development. I am highly grateful to all the people concerned with this project for their careful guidance, which was extremely valuable for my study, both- theoretically and practically.

I express my deepest gratitude to my organization guide, Mr. Dharmendra Surana, Co-Founder of the firm, for giving me an opportunity to be a part of his organization and letting me work on diverse and exciting projects. His constant and careful supervision ensured that we work to our utmost potential and give best results.

Also, I would like to thank my faculty guide, Mr. Parag Rijwani, for his support and help throughout the internship.

This opportunity has been a milestone in my career development, and I am confident that the skills acquired during this period will help me improve my career trajectory.

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EXECUTIVE SUMMARY

This report is a detailed record of all the activities carried out during the course of my internship with Aadishwar Food Products. The company was formed in October 2014 as a partnership firm and is into manufacturing of a wide range of Indian Snacks and Sweets under its flagship brand name- Danaram.

The Indian snacks industry is a highly competitive and promising arm of the FMCG sector. With a constantly growing consumption graph, this industry has opened doors to many new players from regional to global level. Such a high competition calls for a strong marketing plan and top-quality products. These two factors have to be given due importance because of the obvious challenges in attracting customers.

Aadishwar Food Products' marketing campaign was comparatively below average given their relatively young age in the market. In an attempt to increase the brand's visibility in the market, the firm resorted to online platforms for social media marketing and capitalizing on the opportunity to attract the existing customer base of renowned distribution channels. This resulted in a positive outcome with several new partners being onboarded and new distribution networks established. The project also deals with exploring the option of onboarding General Trade (GT) stores as our distribution partners.

Towards the end of the report are key observations, possible problem areas and recommendations for the same.

The focus of this internship was on improving the brand's visibility in the market and increase sales. This report is my record of all the activities carried out and the outcome of those activities.

PART- A

Organization Profile

Organization: Aadishwar Food Products

Location: New Delhi

FSSAI License No.: 13315010000253

Aadishwar Food Products is into manufacturing of a wide range of Indian Snacks and Sweets under its flagship brand name- DANARAM.

A partnership firm formed in October 2014 by Ms. Dipti Surana (CA), and Mr. Dharmendra Surana (MBA. Ex-Banker.), the company's manufacturing unit is located at Tughlakabad Village, New Delhi.

The brand's range of products include over 100 products in the following categories:

- **Regular Namkeen:** Bhujia, Mixtures, Boondi, Chips, Matthi, Namak Para
- **Healthy Snacks:** Roasted Cereals (Wheat, Jwar, Bajra, Soyabean, and Corn), Diet Mixtures
- **Soya Snacks:** Soya Stick, Soya Chips, and Soya Katori
- **Seasonal Products:** Chikki, Gajak, Til, Peanut & Dry Fruits Chikki, and Revri
- **Products for fasts:** Vrat Mixtures, Vrat Chips
- **Accompaniments:** Pickles, Papad, Khakhra, Dry Puris, and Fryums

Its major customers are: Future Retail Ltd, Reliance Retail Ltd, More Retail Ltd, Daalchini Food & Beverages Ltd., and Hotels such as Westin, JW Marriott, Pride Plaza, IBIS, Hyatt, Pullman-Novotel.

Market Geography: Mainly NCR.

Vision: To be one of the most respected organisations in vegetarian food processing industry, globally.

Mission: To build best people, best products, and best practices.

Buyer wise sales break up	
Modern Trade	70%
Institutions	10%
Job Work	20%

Product range wise sales break up	
All Season Products	55%
Seasonal Products	45%

The company has a work strength of 50+ employees and its own fleet of 4 commercial delivery vehicles.

Danaram's major competitors include- Haldiram, Bikaji, Bikano, Diamond, Balaji, and Pepsico

Upcoming Brand- Snackopia

Aadishwar Food Products is currently working on launching its own range of Roasted Seeds, Cereals and Berries under the brand name 'Snackopia'. This range of products is targeted towards high spending individuals with a premium offering.

New Initiatives

- **Danaram Direct**

It is the company's free next day delivery system which is currently active in South Delhi Region. The unique features of this service are:

- Wide range (approx. 80 articles) of Snacks, Sweets and Accompaniments at factory rates
- Next-day delivery with no shipping charges
- No minimum order quantity

This service is unique, as the major players in home delivery service don't rate good on parameters viz. Quality, Minimum Order Value, Variety of Options, Affordability, and Personal Touch.

- **Sugar Free Sweets**

Currently in developmental stage, this segment aims to target the diabetic population because of its unexplored and sizeable market. The company is focusing on R&D of both products and packaging.

PART- B

Main Body of Project Work

Introduction

In India, the food sector has emerged as a high growth and high profit sector. Food and Grocery account for 31% of India's consumption basket. The government of India has also been instrumental in the growth on Indian Food Processing Industry. It is making all efforts to encourage investment in this business.

The Indian snacking food industry is a promising and a booming arm of the FMCG category, this can be owed to the changing consumption patterns of the consumers. With the rise in busy lifestyles, people have adopted snacking attitudes and are making different snack choices based on health, convenience, brand and trust. Consumers are intentionally looking for snacks to indulge in, to satisfy a craving or to hold themselves up until their next meal.

The revenue in the snack food segment amounts to over \$5000 million in 2019 and the market is expected to grow annually by 7.5% (CAGR 2019-2023) ^[1].

The Indian snacks market can be broadly divided into two categories:

- **Western snacks:** Potato chips, extruded snacks like Kurkure, etc.
- **Traditional snacks:** Namkeens, Bhujia, Daal, Bhakarwadi, Khakhra, Banana Chips, etc.

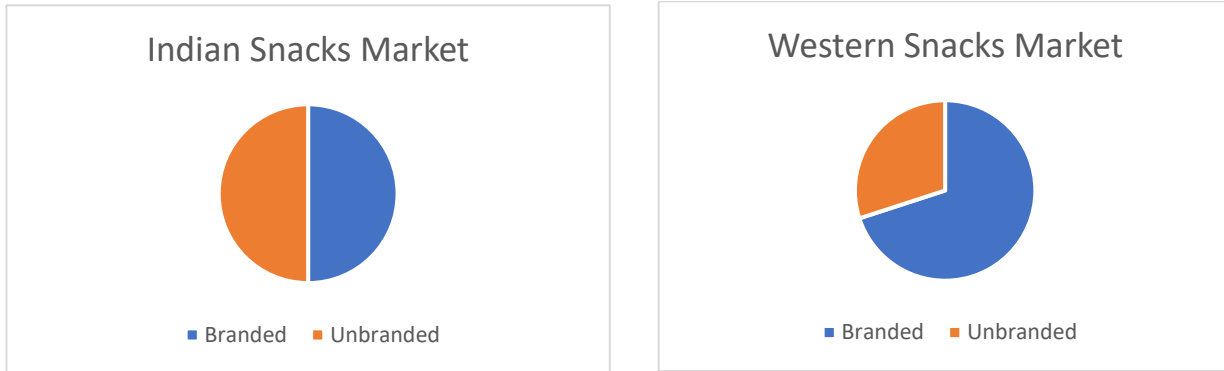
Traditional snacks cover around 60-65% of the market in Indian snacks segment.

Until about forty years ago, there were just 2-3 types of available namkeens in the market. But after the mid-80s, the varieties developed tremendously and the triple layer pouch packing started playing a major role/ factor in developing the category, extending the shelf life of products to six-twelve months. Today, around 1,000 snack items are sold in India spanning various tastes, forms, textures, aromas, bases, sizes, shapes and fillings. Besides, some 300 types of savouries are sold in our country today.

Namkeens can be categorized into:

- **Single Product Segment:** Moong Dal, Peanuts, Nut Cracker, Mathri, etc.
- **Bhujia:** Aloo Bhujia, Bikaneri Bhujia, Plain Sev, etc.
- **Mixtures:** Madras Mix, Navratan Mix, Garlic Mix, Khatta Meetha, etc.

Market Share



In the Western Snacks Market, PepsiCo leads the market, and, along with other key players like ITC, Balaji, Parle, holds close to 70% of the market share.

Indian Snacks market however, faces more competition from non-branded items. Haldiram's and the regional player, Balaji Namkeen, together account for over 50%. The rest of the market is fragmented, and understandably so, given that the market is driven by strong regional tastes and preferences.

Current Scenario

According to the results of a survey conducted by Mondelez, Indians have increased their frequency of snacking and sometimes replace a whole meal with snacks. 70% of those surveyed, agree that they indulge in higher instances of snacking through the day compared to a year ago; this is far more than the global average of over 22%.

In India, snacking is clearly becoming a big trend with more companies looking at expanding their portfolio beyond chips and cookies.

Challenges to the industry

- **High level of competition:** The industry is largely unorganized and fragmented, with many small and large players in the domain. This leads to a high level of competition from domestic and international players
- **Rising input costs:** Commodity prices have been rising at record rates in recent years. As food accounts for a high percentage of the average Indian's budget, even small price movements can have a major effect on demand.
- **Diverging consumer trends:** Indian market has a wide range of consumers with vast differences in income levels and lifestyles. This leads to movement of trends in conflicting directions at the same time.

Competitors' Profile

Since Food and Beverage industry is a global one, Euro faces competition from various domestic and international players. The industry is largely unorganized and fragmented, with many small and large players in the domain.

Some of the renowned players in this field are:

1. Haldiram Snacks Pvt. Ltd.

Founded in 1937 in Bikaner, Haldiram's is one of the biggest players in this industry. The company has manufacturing plants in a wide variety of locations such as Nagpur, New Delhi, Gurgaon, Rudrapur and Noida. Haldiram's has its own retail chain stores and a range of restaurants in Nagpur, Kolkata, Noida and New Delhi.

The company has grown at a tremendous pace over the years and in 2017 it was crowned as the country's largest snack company, surpassing all other domestic and international competitors.

Haldiram's has over 400 products. Its product range includes traditional namkeens, western snacks, Indian sweets, cookies, sherbets, papads and pickles. The company also produces ready-to-eat food products. Haldiram's products are marketed at various retail locations such as bakeries and confectionery stores, among others, and also on various commercial websites.

2. Bikaji Foods International Ltd.

Another player with roots in Bikaner, Rajasthan, Bikaji Foods International Ltd. was founded in 1987. Their four state-of-the-art manufacturing facilities hold a total manufacturing capacity of 400 TPD, producing 300 products covering a wide range of Bhujia, Namkeen's, Sweets, Papad, Western Snacks, Cookies, RTE, frozen foods amongst others; makes them one of the largest manufacturers of ethnic snacks.

Over the years, it has emerged as one of the largest manufacturers of branded Indian ethnic snacks with an extensive product range (including bhujia, namkeen, sweets, papad and western snacks) and has established a national distribution footprint. Apart from its home turf of Rajasthan, the company has a strong presence in a few other states such as Bihar and Assam. According to VCCEdge, Bikaji posted net sales of Rs 783.2 crore for the year ended in March 2018 as compared with Rs 608.7 the year before. Its net profit also rose from Rs. 43.7 Cr to Rs. 53 Cr.

3. Bikanervala Foods Pvt. Ltd.

Bikanervala was founded in 1950 in Delhi. The brand is now a Rs 1,100 crore company with 94 stores including 25 stores abroad. In 1988, to take the brand globally, they launched Bikano to sell sweets and namkeens in air-tight packaging. In 1995, Bikanervala entered into an exclusive agreement to produce namkeens for PepsiCo's brand Lehar, opening a new plant in Faridabad, Haryana.

While Bikanervala's packaged food products, including sweets and namkeens, are sold under the Bikano brand name, the company has opened Bikano Chat Cafes (2003) which are quick service restaurants serving fast food with minimal table service. The Bikanervala and Angan restaurants serve traditional Indian snacks, sweets and namkeens. Bikanervala has also launched a boutique hotel at Banjara Hills in Hyderabad.

In India, the company has 42 outlets in Delhi NCR while it has as many as 12 outlets in Dubai and 7 in Nepal. Bikanervala is also present in New Zealand and Singapore and the US (two outlets each). Manufacturing is in Delhi, Noida, Faridabad and Rai (in Haryana).

4. Prataap Snacks Ltd.

Started in 2004 in Indore, under the brand name Yellow Diamond. With a turnover of 900 Cr. and distribution in 28 states, today, Yellow Diamond stands among the top snack manufacturing companies of India. They have 5 full-fledged manufacturing units across India; the biggest one in Indore.

The snack brand operates in three categories and has a footprint across 1.2 million outlets across the country. These include chips, namkeens and extruded snacks and they contribute 22%, 12% and 68% respectively to the total portfolio. As per the company's annual report, the revenue from sale of rings products increased at a CAGR of 74.78%.

5. Balaji Wafers Pvt. Ltd.

Balaji Wafers is based in Rajkot, Gujarat, and manufactures and distributes potato chips and other grain-based bagged snacks in various flavours. The company started in 1976 and has evolved into a Rs 2,000 crore company of products with an indigenous taste.

In the initial stage Balaji set up their plant in Rajkot. They operated there for around 22 years. Later they set up their new fully automatic plant near Metoda G.I.D.C. outside the town of Rajkot.

Balaji Wafers had a tremendous growth in the chips sector in the 2007-2016 decade, giving a strong competition to major players like Lays', Kurkure, Parle and Bingo. Balaji also dominates in the western market with a share of 71%. In its home state Gujarat, it has a share of 90%.

Notable Trends in the Indian Food Sector

- **Changing Consumer Tastes:** Wide range of products, global connectivity, rising income, young population, increasing urbanization has led to change in taste and preference of domestic consumers.
- **Rising demand of Indian Products in international market:** Strategic geographic location and continuous increase in raw material production help India to supply cheaper products to other countries.
- **Emphasis on healthier ingredients:** Health conscious costumers prefer zero-fat, low carb products. This demand has given rise to use of ingredients with low carb levels and low cholesterol.
- **Packaging as a purchase influencer and communicator:** Packings are an indication of value offering and hence enables a costumer to compare the products before buying
- **Shift from usefulness in processing to usefulness to consumers:** Consumers now demand better, safer and convenient foods and are willing to pay a higher price for the same.
- **Sensible Snacking:** With a wide variety of options available, consumers have shifted towards healthy snacking options which has resulted in manufacturers to shift their focus to healthier varieties of foods.

While the branded market was created and led by western snacks, both western and traditional snacks today hold a nearly equal share, indicating the higher growth of branded traditional snacks. However, this does not imply that the growth has come at the cost of western snacks; it is more due to the unbranded market being converted to a branded traditional market.

Over the past few years, the market has witnessed a slew of activities, the emergence of new players, the expansion of snacks portfolio through continuous product innovations, aggressive marketing campaigns to establish consumer connect, shift in consumption with increasing demand for convenience, etc

While consumers are upgrading to branded products, the unbranded market remains huge in size. Also, there are still hundreds of traditional snack categories for which branded options do not exist, which presents both an opportunity as well as a threat.

Objectives

1. Improving presence on digital platforms

Having a digital presence for a business is beneficial in many ways. Most importantly, it helps reach an enormous audience in a way that is both cost-effective and measurable.

Some benefits of digital marketing are:

- Increased visibility
- Better customer engagement
- Enhanced customer service levels
- Pull Marketing

Situation Analysis

Aadishwar Food Products' signature brand- Danaram's target audience includes people of all age groups and demographics. The nature of the product they deal in, is such that it appeals people of all categories. However, the company could not capitalize on the opportunity of improving its digital presence. As per the Facebook Ads data, promoting our business in a radius of 10 KMs meant reaching roughly 29 Lakh people.

Approach

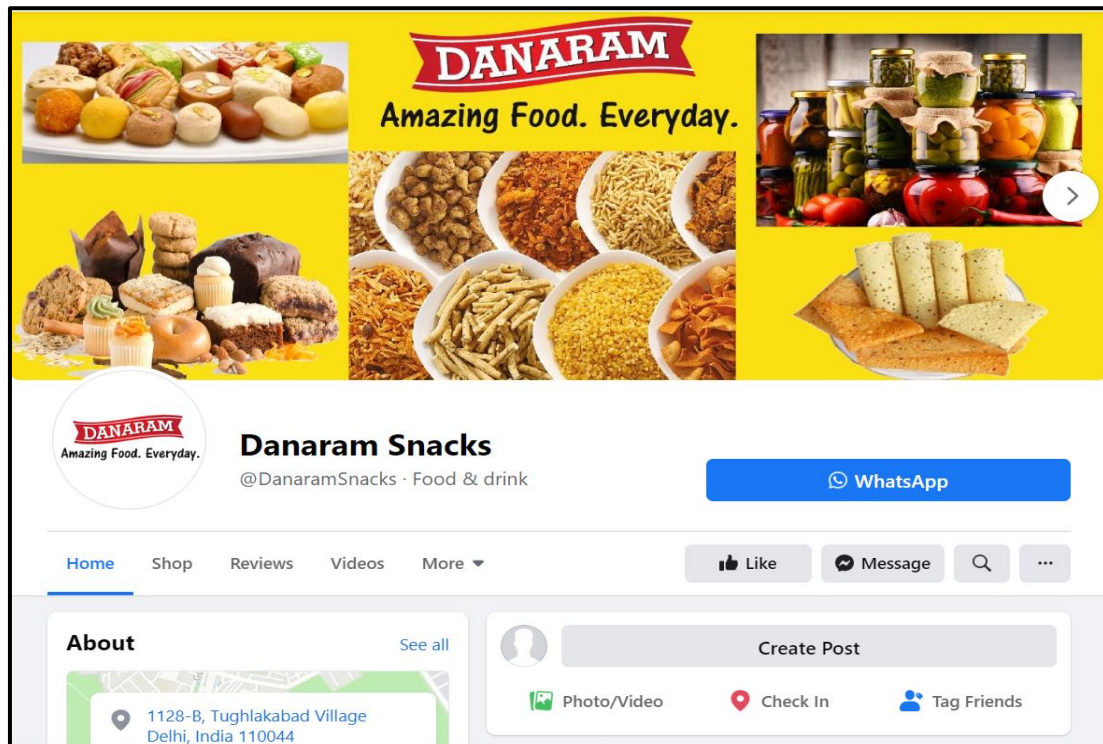
In order to make the most out of this opportunity, our team initiated a digital marketing program, which primarily focused on the most common social media platforms, viz. Facebook, WhatsApp and Instagram.

This program involved tasks such as- creating official page for the brand on these platforms, content marketing, post/page boosting, ad creation.

Task 1: Facebook Marketing

This task was carried out in 3 phases:

Phase 1- Creating business profile for the firm's brand- Danaram



Phase 2- Creating posts and ads

Danaram Snacks
14 May · 🌐

With Danaram Direct, your orders reach directly from our production unit to your doorstep, with complete safety precautions and guaranteed freshness of products. Place your orders at 8800 817 899 and enjoy our mouth-watering range of snacks.

OTHER BRANDS

Production → Distributor → Retailer → Customer

DANARAM DIRECT

Production → Delivery → Customer

Danaram Snacks
21 June at 15:00 · 🌐

Choose from seven Hand-Made Papad variants of DANARAM and make your meals complete!
Free Home Delivery in South Delhi, Noida, Gurgaon, Faridabad.
Call or whatsapp at 8800817899

#sundayfood #indianchats
#LockdownMoods #Lockdown2020 #LockdownLife #Foodies
#IndianSnacks #IndianMithai #covid19 #atmanirbhar
#danaram_delhi #SaturdayThoughts #SaturdayVibes #NaMo
#Family #IndianSnacks #IndianSweets #danaramsnacks #NCR
#DelhiNCR #Papad

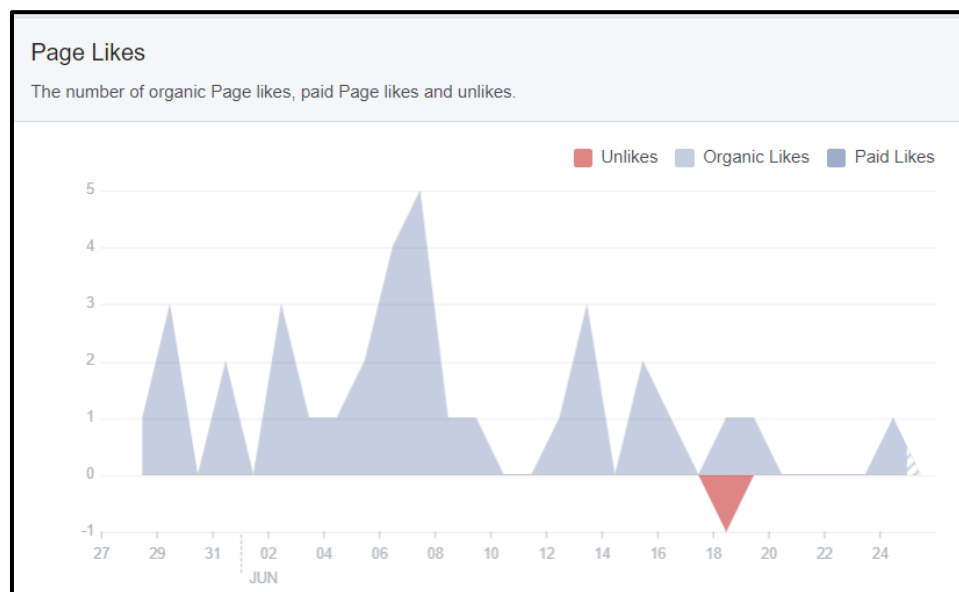
कोरोना से बचने के लिये कितने पापड़ बेले!
Now reward yourself with DANARAM's lip smacking Papads

Amrisari Papad
Pudina Papad
Chana Lehsun Papad
Moong Special Papad
Chana Methi Papad
Urad Punjabi Papad
Tiranga Papad

Free Home Delivery in South Delhi, Noida, Gurgaon, Faridabad
Call or Whatsapp at 8800817899

DANARAM
Amazing Food. Everyday.

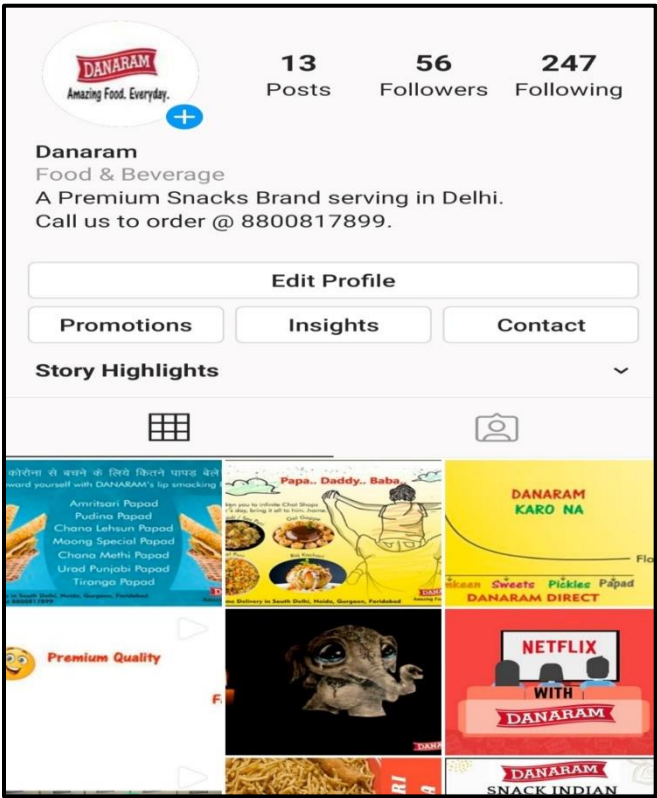
Phase 3- Tracking the insights and performance of the page



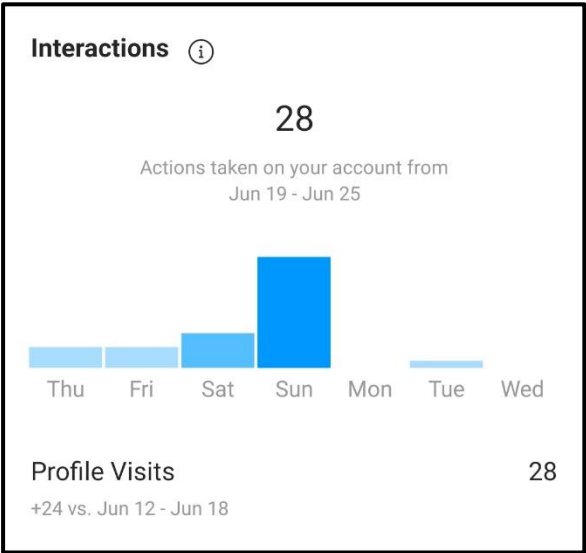
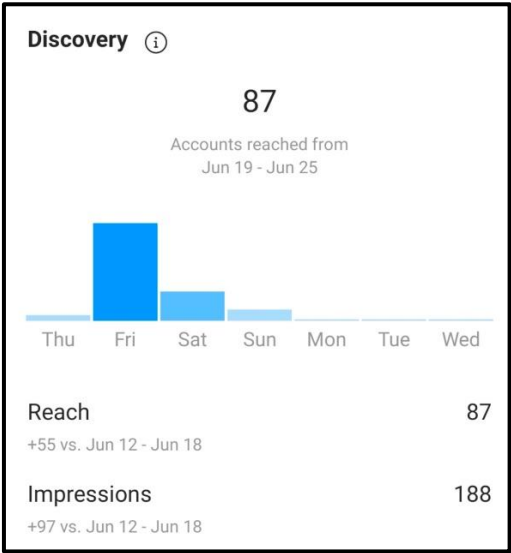
Reach: Organic/Paid Post clicks Reactions, comments & shares								
Published	Post	Type	Targeting	Reach	Engagement	Promote		
21/06/2020 15:00	Choose from seven Hand-Made Papad variants of DANARAM and			76	4 7	Boost Post		
16/06/2020 18:48	This Father's Day, 21st June, Sunday Order various Chat items from			69	2 4	Boost Post		
15/06/2020 12:50	Give your hunger pangas a delicious break. Call 8800817899 for free			97	2 10	Boost Post		
07/06/2020 15:24	Danaram Snacks			634	34 43	Boost Post		
04/06/2020 15:10	😊			77	1 9	Boost Post		
01/06/2020 15:40	Enjoy binge watching with Danaram's premium range of snacks. Place your			76	2 6	Boost Post		
23/05/2020 23:22	It is the workforce that makes or breaks any business. In these tough			120	21 17	Boost Post		
22/05/2020 08:46	Bhujia is made all over India and eaten as a snack in almost all parts			85	3 5	Boost Post		
16/05/2020 21:00	Let's support India with buying Indian. Why not start with snacking			103	3 9	Boost Post		
15/05/2020 14:11	Very happy to announce, Danaram Snacks is now available on MYO.ai			88	5 6	Boost Post		

Task 2: Instagram Marketing

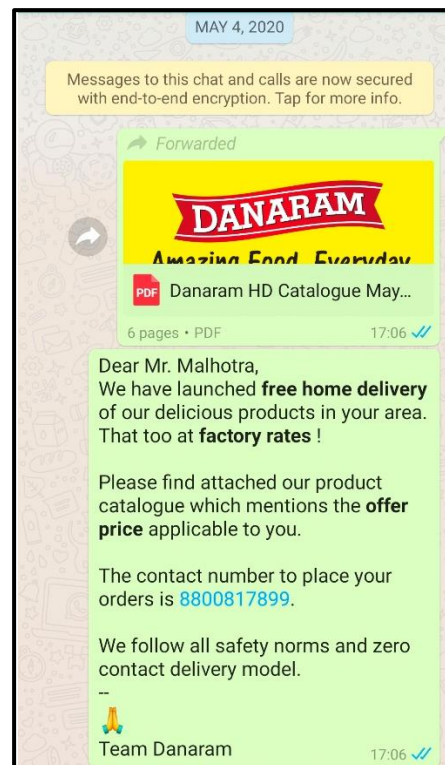
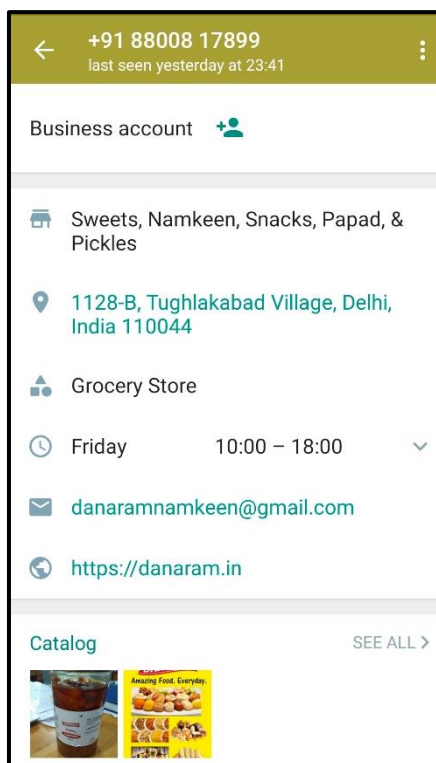
Phase 1- Creating Business Profile



Phase 2- Creating Posts and Analysis



Task 3: WhatsApp Marketing



Outcome

Improving the digital presence of the brand resulted in a better reach through online advertisements. This can be justified by the growing number of orders on Facebook and WhatsApp.

The customers were also satisfied with the prompt response to their queries which was not possible otherwise. This helped in creating a strong base of loyal customers in South Delhi region.

2. B2C Customer Acquisition

Customer acquisition is the process of acquiring new customers for business or converting existing prospect into new customers.

Customers are the backbone of any business and for a company to flourish, acquiring customers is the prime task. Customer acquisition is directly co-related to the performance of business.

Situation Analysis

Digital marketing played a critical role in developing the business and improving the brand's visibility in the market. However, there was a major chunk of targeted customers who were not active on social media platforms for various reasons. Discovering alternatives to reach these consumers through offline mode was important.

Approach

To reach this chunk of untapped customers, we resorted to the conventional method of cold calling and sales pitch. This task was carried out in three phases:



Phase 1- Lead Generation

To generate leads, geographic areas were identified which were supposed to be approached. The areas were restricted to South Delhi region. Various sources were used to generate leads such as- RWA Directories, Property Websites, etc.

As per the data of Delhi Development Authority, South Delhi region has close to 250 Resident Welfare Associations (RWA) with a population of roughly 27 Lakh people.

Phase 2- Cold- Calling & Sales Pitch

Reaching such a huge number of people in such a short span of time was practically impossible. In order to maximise our reach, we resorted to calling the office bearers of the RWAs, and brief them about the products offered by us. The objective of our call was to inform the customers about our products and share our digital catalogue. The RWA office bearers further shared the catalogue with the residents of the area on their respective WhatsApp groups.

Phase 3- After Sales Activities

After Sales activities aimed to retain newly acquired customers and promote goodwill of the brand. Some strategies adopted as a part of this activity include:

- Sending free samples along with a customer's order
- Special discounts on bulk ordering
- Organising games, with the winner getting special goodies from Danaram

Results

Based on the records, this task was highly successful with a 77% conversion rate and numerous repeat and bulk orders from the customers. This plan also helped us to penetrate in areas which were not approachable otherwise. The number of daily orders also increased by roughly 20%.

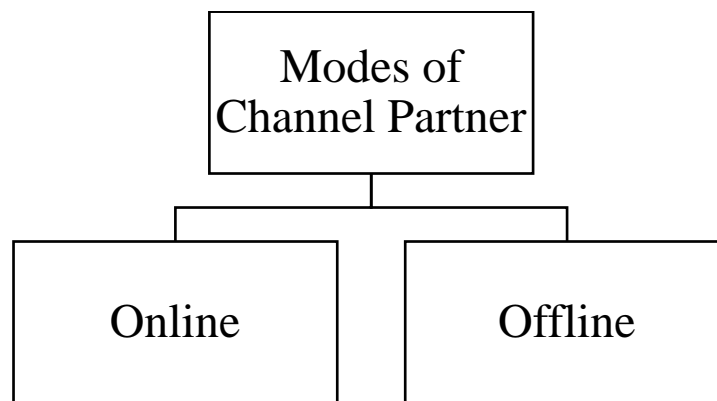
3. Channel Partner Management

A channel partner refers to the use of third parties to promote your business and increase profits through indirect sales. Partner types can include affiliates, other brands, distributors, or entities that take a commission for every sale they drive to your site.

An effective channel partner management results in a boost in sales. It also ensures an improved profitability as paying commissions to channel partner is economical then hiring full-time salesforce for the company.

Some benefits of having a channel partner are:

- Growth in sales
- Reaching new market and customer segments
- Leverage additional reach and trust from recognized brands
- Reduced cost of customer acquisition



Online Channel Partners:

These include Online Applications and E-Commerce Platforms. Some prominent names include- Satvacart, Amazon, Dunzo, MorningBag, Milkbasket, etc.

Partnering with online channel partners involved selecting various platforms based on their goodwill and vendor friendly policies. Other factors such as their market & technical expertise, customer base, etc. were also given due consideration.

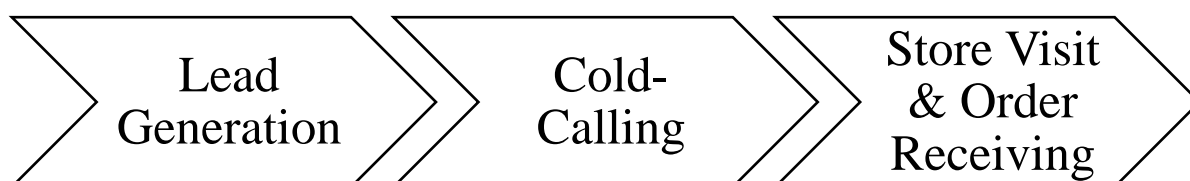
During the tenure of 2 months, we managed to successfully onboard such renowned brands as:

- **Satvacart:** Satvacart is a Gurgaon based online grocery store. It sources from neighbourhood stores in addition to stocking its own inventory. The company purchased our products in bulk and listed them on their website. Owing to its existing and loyal customer base, our sales witnessed a significant surge.

- **MorningBag:** MorningBag is one of the leading North India grocery e-commerce shopping website currently serving in Noida, Greater Noida, and Ghaziabad. They are soon planning to expand their services to Delhi, Gurgaon, Jaipur, Meerut, Faridabad, Chandigarh, Lucknow, Kanpur, Amritsar, Dehradun, and Shimla. This will help us reach markets beyond Delhi NCR region, thus increasing our market size.
- **Dunzo:** It is a Bengaluru based delivery services company. The company offered delivery services of our products listed on their application in Delhi and Gurgaon areas. They offer a commission-based model, wherein they charge 16% + GST on the order value for grocery and staples.

Offline Channel Partners:

Offline mode dealt with General Trade stores and Supermarkets. Our target area for offline channel partners was Noida and Faridabad. This task was carried out in 3 stages:



Stage 1: Lead Generation

Leads were generated through various online directories and stores.

Stage 2: Cold-Calling

The objective of calling was to schedule an appointment with our sales executives for them to show our product samples.

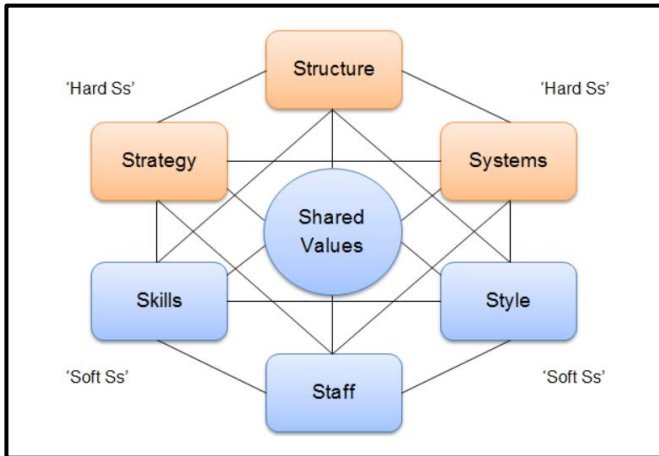
Stage 3: Store Visit

At this stage, our executives visited the store and eventually converted potential clients as regular customers.

Results

The combined efforts of both online and offline channel partner management resulted in a significant growth of our business. Online platforms gave us better visibility and recognition. Offline channels increased our number of bulk orders.

7-S Framework Analysis



McKinsey 7S Model is a tool that analyses a firm's organizational design by looking at 7 key internal elements: Strategy, Structure, Systems, Shared Values, Style, Staff and Skills, in order to identify if they are effectively aligned and allow organization to achieve its objectives.

The following is the analysis of Aadishwar Food Products' 7S framework:

1. Strategy

Aadishwar Food Products has certain strategies laid down to leverage their competitive strength and grow their business. These are:

- Widening of distribution network
- Enhancing Brand Image
- Developing new product line
- Customer Satisfaction

2. Structure

The company has a compact hierarchy with the Co-Founders directly monitoring the activities of the firm. The flow of communication is quite direct, with employees of all levels being directly in touch with the founders. The management keeps a close check on the activities and is directly involved in all the decision-making processes.

3. Systems

The company's main activity revolves around manufacturing of edible snacks. This pushes the company to adopt automation in their plant for bulk production. Their state-of-the-art manufacturing unit ensures that all safety and hygiene standards are maintained.

4. Shared Values

The core values of the company have never been compromised with. Besides growing their business, the founders have been sensitive towards maintaining goodwill of the brand. The main motto of the brand has remained excellent quality of products. The founders strongly believe in a good after sales service for offering a pleasant experience to their customers.

5. Skills

The management of the firm is well educated and well trained and hail from different backgrounds. This helps in developing a strong vision for the firm and the employees can also align their skills with the goal of the organization.

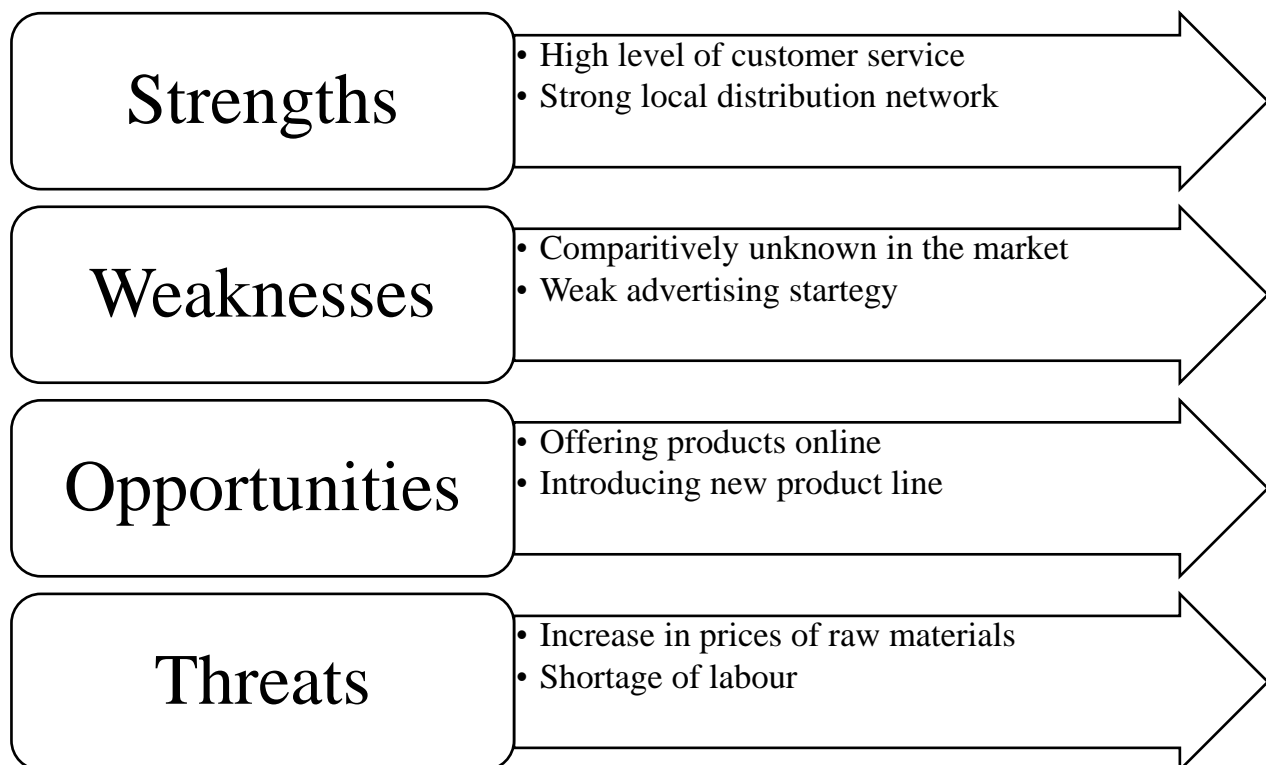
6. Staff

Efficient manpower is the key to successful business. The firm acknowledges the contributions made by their employees and focuses on attracting and retaining the best talent. Being in a specialised business, the company looks for specific skill-sets, interests and background that can be an asset to the business.

7. Style

The company follows authoritative style of participation. This style is adopted because the employees have to be treated as an asset, who are working for the company but their decision-making powers are restricted.

SWOT Analysis



Competitive Position in the Industry

Competitive positioning is about how a company can differentiate their offering and create value for the market. It deals with making a mark in the competitive landscape and try to acquire the share of the market.

We shall determine the position of Aadishwar Food Products using Michael Porter's framework for competitive analysis.

1. Competition in the Industry

Parameters	Score (Out of 5)	Remarks
No. of Competitors	1	High competition on global, regional and local levels
Industry Growth	4	Growing at a CAGR of 20%
Differentiation	3	Moderately differentiated products
Switching Cost	3	No significant switching costs involved
Strategic Stakes	0	No strategic stake in the industry

Average Score: 2.2

2. Threat of New Entrants

Parameters	Score (Out of 5)	Remarks
Economies of Scale	4	Low fixed cost per unit due to high production levels
Product Differentiation	3	Moderately differentiated products
Brand Identity	2	Not a very well-known brand
Switching Cost	3	No significant switching costs involved
Distribution channels	3	Strong distribution network locally
Capital Requirement	4	High capital required to produce in large quantities
Technology	4	Technologically advanced manufacturing units
Access to Raw material	4	Easy access to all types of suppliers

Average Score: 3.4

3. Threat of Substitutes

Parameters	Score (Out of 5)	Remarks
Availability of Substitutes	0	Easily available substitutes
Substitute Price Value	4	No significant difference in the prices
Profitability of producers	3	Some producers are more profitable

Average Score: 2.3

4. Bargaining Power of Buyers

Parameters	Score (Out of 5)	Remarks
Number of Buyers	4	Buyers available in large numbers
Availability of Substitutes	0	Easily available substitutes
Switching Cost	0	No switching cost incurred by the buyers
Backward Integration	5	Buyers are direct consumers. No scope of backward integration
Buyer's Profitability	4	Products available for buyers of all income groups
Contribution to quality	4	Firm's direct contribution involved

Average Score: 2.8

5. Bargaining Power of Suppliers

Parameters	Score (Out of 5)	Remarks
Number of Suppliers	3	Suppliers of specialised products may be limited
Availability of Substitutes	3	Some materials available only with limited suppliers
Switching Cost	3	May be high, depending on certain situations
Supplier's threat of forward integration	4	Heavy capital and technological investment nullify this threat
Industry's threat of backward integration	4	Snacks manufacturers do not grow their own raw material in farms.
Industry's importance to suppliers	3	Snacks producers are significant contributors to a lot of suppliers' revenue

Average Score: 3.33

Looking at the Average Score of all the forces, company's competitive score comes to **2.80**, which is somewhere near average.

From the observations, it can be seen that Threat of Substitutes and Competition in the Industry are the biggest challenges for the company

Key Observations

1. Advantages of Social Media Marketing

Adopting social media marketing as a promotional strategy resulted in a lot of positive results for the company. Some of them are mentioned below.

- **Increased Brand Awareness**

Implementing a social media strategy greatly increased our brand recognition since it led to engaging with a broad audience of consumers. People interacted with our content and increased brand awareness and began building our reputation as a business. Each post that was shared introduced us to a new network of individuals, which lead them to becoming potential customers. Many people were converted as new customers.

- **More Inbound Traffic**

Without marketing our business on social media, our inbound traffic was limited to our usual customers. Without utilizing social media as part of our marketing strategy, we were facing much more difficulty reaching anyone outside of our loyal customer circle. Syndicating our content on various platforms allowed individuals to organically reach our business. By marketing on social media, we managed to effectively open our business to a wider variety of versatile consumers.

- **Higher Conversion Rates**

With increased visibility, our business gained more opportunities for conversion. Every post, image, video, or comment lead viewer to our company's brochure and increased traffic. Social media marketing allowed our business to give a positive impression through a humanization factor.

When a brand is interactive online, consumers who follow your brand's accounts often begin to more completely trust the credibility of your business. Putting your brand in an atmosphere where people are sharing, liking, and talking, can only improve the conversion rates on your existing traffic.

- **Cost Effective**

Social media marketing is possibly the most cost-efficient part of an advertising strategy. Signing up and creating a profile is free for almost all social networking platforms, and any paid promotions you decide to invest in are relatively low cost compared to other marketing tactics. Being cost-effective is such an advantage because you can see a greater return on investment and retain a bigger budget for other marketing and business expenses. Just by spending a small amount of time and money you can significantly increase your conversion rates and eventually get return on investment on the money you initially invested.

2. Benefits due to addition of new distribution channels

Addition of new distribution channels benefitted the business in the following ways:

- **Reduced distribution costs**

Using an existing distribution network led to extending the company's geographical reach much more easily and quickly, without any investment in infrastructure, human resources and technology. And because retailers stock their shelves with our products and customers go to store locations to purchase them, we don't incur additional stocking and delivery expenses.

- **Wider customer reach**

Another advantage of distribution channel is the speed at which deliveries of our products took place in large geographic areas. Established distributors can readily tap a network of retailers and other distributors to help with market coverage.

- **Logistic Support**

Distributing products to large areas with minimal investment is taken care of by these channel partners. All the compliances, delivery and return commitments are to be fulfilled by the channel partner.

- **Availability of consumer data**

Channels can help by collecting demographic information such as age and zip codes of customers who are buying, and they also can ask for customer reviews about your product. This helps you collect feedback that can help you improve your product or increase sales

3. Challenges to existing operations of business

- **Lack of marketing strategy**

Given the level of competition in the industry, marketing plays an important role to make your brand visible in the market. The company's marketing strategies needed a more detailed and structured approach and result oriented objectives.

- **Absence of a structured chain of command**

The line of communication is very vague. There is no fixed channel and grievance redressal procedure.

- **Lack of a strong customer service mechanism**

There is no strong database maintenance mechanism for customer support or engagement.

Possible Problem Areas in Future

- **Decline in Sales due to lack of brand recognition**

Indian snacks industry is flooded with many small and large players at various levels. With every brand fighting to capture major stake of the market, brand name becomes their USP. Aadishwar Food Products is still at a nascent stage of its business when it comes to recognition in the market. Not everyone is familiar with the brand and this poses as a major challenge for the company.

- **Limited availability of skilled labour**

Due to a shift in technology and skillsets of individuals, it is challenging to find people with the desired set of skills when it comes to sweets and snacks manufacturing. Shifting to automated technology is also difficult as most of the new players in market are unfamiliar with modern technology.

- **Transportation and Storage issues**

Even if the company manages to penetrate into new markets, transportation costs and storage costs prove to be price-tough. As the consumers taste also vary from state to state and region to region, preparation for different batches is a costly affair.

- **Shift in consumer choices**

One of the major challenges in the namkeen business is the ever-changing shift in consumer tastes and also health concerns. This can occur because of entry of new brands, better alternatives and various other factors.

Recommendations

- Increased efforts in marketing and creating customer awareness through wider distribution network can help the firm in gaining recognition. Sponsoring events with high viewership and choosing the right advertisement slots can also be helpful.
- To overcome the barrier of limited availability of skilled labour, staff should be trained to handle machines by the suppliers themselves. Having a standard operating procedure and properly designed training modules can help individuals to develop the skills required.
- Setting up of more manufacturing units can reduce this cost significantly. However, plant must be setup only in areas with high demand for the products.
- Establishing and maintaining a strong internal and external communication network. This will help in building an effective employee and consumer service mechanism.

PART- C

Learnings from Summer Project

The summer project was meant to help us get a practical exposure of all the theories covered as a student. It can be rightly concluded that the objective of our project has been achieved successfully. The practices followed were in sync with various marketing concepts as covered at the institute.

The learnings can be segregated into 3 categories:

1. Digital Marketing

Digital marketing encompasses all marketing efforts that use an electronic device or the internet. Businesses leverage digital channels such as search engines, social media, email, and other websites to connect with current and prospective customers.

The concepts which were widely covered during the Summer Internship were:

- **Content Planning**

As a content creator, it is important to decide what you will do and when. This is where you create topics to address your themes, choose specific content types and tactics to address your goals and audience's preferences.

- **Full Funnel Content Strategy**

This is done in three stages- Attract, Engage and Convert. Buyers in the Attract stage may not be actively looking for a product/service. Those in the Engage stage are looking for a service, researching their options. Those in the Convert stage have made a decision to buy. This model drove nearly everything we did. We developed content for each stage of the funnel, each with different strategy and targeting.

- **Paid Social Media**

The big social media guns like Instagram and Facebook are undeniably pay-to-play. Without advertising, you're only reaching a fraction of your followers, let alone attracting new ones. You can reach a much broader audience with a little strategic boosting.

- **Measurement**

It is important to understand your company's overall goals, the goal for each piece of content, and how progress will be measured. This is done by analysing the insights of your page's performance.

2. Traditional Marketing Theories

Traditional marketing is a rather broad category that incorporates many forms of advertising and marketing. It's the most recognizable type of marketing, encompassing the advertisements that we see and hear every day. Some common traditional marketing activities covered during the project were:

- **Referral Marketing**

Also known as word of mouth, it relies on customers to spread information about products or services. Referral is not a strategic or planned marketing activity, but it might help a business build a loyal client base. It also costs close to nothing for the business.

- **Telemarketing**

This refers to the marketing of goods or services by means of telephone calls to potential customers. Telemarketing is an important way of increasing sales of a company due to the number of benefits it offers. We get to guess the mood and interest of a person on call by judging their conversation with us.

The primary activities revolved around two marketing concepts:

- **Production Concept:** This marketing concept holds the belief that consumers will prefer products that are widely available and inexpensive. It aims at achieving profit through high production and wide scale distribution.
- **Product Concept:** As per this concept, the consumers will prefer products that are high in quality and innovative.

3. Soft Skills Development

The most important soft skills which were tested during the period were:

- **Content Creation**

Content marketing is a fundamental part of any well-rounded marketing organization. A marketer must be able to effectively communicate their ideas and offerings.

- **Technological Proficiency**

All marketers, regardless of their role, use one or several technologies every single day. Marketing professionals should have an established understanding of how to use technology alongside the work they do manually.

- **Flexibility**

In a start-up environment, there is no certainty on what the day, or indeed sometimes the role might bring. This requires an open mind-set that is ready to accept and therefore overcome change and uncertainty.

- **Emotional Intelligence**

Marketers with strong emotional intelligence can recognize what makes a customer tick, what delights or frustrates them, and ultimately what motivates them to make a purchase. Emotionally intelligent marketers are also able to empathize and relate to customers, which can contribute to more impactful messaging.

- **Negotiation Skills**

It's important to develop your communication skills to help you engage in a dialogue rather than a debate, facilitating a positive outcome for all involved.

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CERTIFICATE OF COMPLETION



Aadishwar Food Products

To Whomsoever It May Concern

This is to inform that **Mr. Jairaj Singh** has successfully completed his internship with Aadishwar Food Products as Management Intern from April 23, 2020 to July 03, 2020.

The title of the project was "**Customer Acquisition, Digital Marketing and B2B Channel Development**" and it represents the original work done by him.

We wish him all the best for his future endeavours.

.....
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