

PROJECT REPORT

**“A Study On Marketing Strategy Adopted By
Haldiram’s”**

Submitted to

BBA Department,

G. S. College of Commerce & Economics,

Nagpur

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Rashtrasant Tukdoji Maharaj Nagpur University, Nagpur

In partial fulfillment for the award of the degree of

Bachelor of Business Administration

Submitted By

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Under The Guidance Of

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G.S. College of Commerce & Economics, Nagpur
Academic Year 2021-2022



G.S. College of Commerce & Economics, Nagpur
Academic Year 2021-2022



CERTIFICATE

This is to certify that “**Sanket Prakash Urkude**” has submitted the project report titled ‘**A Study On Marketing Strategy Adopted By Hadiram’s**’, towards partial fulfillment of **BACHELOR OF BUSINESS ADMINISTRATION** degree examination. This has not been submitted for any other examination and does not form part of any other course undergone by the candidate. It is further certified that he/she has ingeniously completed his/her project as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur.

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Place: Nagpur

Date:

G.S. College of Commerce & Economics, Nagpur

Academic Year 2021-2022



DECLARATION

I here-by declare that the project with title “**A Study On Marketing Strategy Adopted By Haldiram’s**” has been completed by me in partial fulfillment of **BACHELOR OF BUSINESS ADMINISTRATION** degree examination as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur and this has not been submitted for any other examination and does not form the part of any other course undertaken by me.

Sanket Prakash Urkude

Place:Nagpur

Date:

G.S. College of Commerce & Economics, Nagpur

Academic Year 2021-2022



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Sanket Prakash Urkude

Place: Nagpur

Date:

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1. INTRODUCTION

BACKGROUND AND PROFILE OF THE ORGANISATION

HALDIRAM - is a name associated with consumers for sweets and namkeens for the past six decades in India and abroad. It made its modest start in the beginning 1941 in Bikaner in the State of Rajasthan. Today the company has diversified into snack food, sweets, syrups, biscuits and fast food. It is the leader in the Namkeens segment with a 70% of that total share in the market. Haldiram's is a huge brand and has diversified its activities into various industries. The one industry where it is the king right now is the "namkeens" industry. Hence the project mainly focuses on studying Haldiram's namkeen division, though other areas have been briefly mentioned.

Haldiram's offers a wide range of products to its customers. The product range includes namkeens, sweets sharbats, bakery items, dairy products, chips, pappad and ice creams. However namkeens remain the main area of focus for the group as it contributes close to 60% of its total revenues. By specializing in the manufacturing in the namkeen market the company has created a niche market. The raw materials used to prepare namkeens are of best of quality and are sourced from all over India.

The food industry in India is forever changing to suit their consumers' palate. preference and pocket. All the players in the industry thus, have to constantly adapt to the ever changing trends and invent and re-invent themselves to stay in the league.

Haldiram's competes on the basis of numerous factors including brand recognition due to distinct packaging, product quality, traditional taste and authentic Indian flavour.

Beginning of the Story and forming Haldiram in 1938

At the age of 12, when most children went to school, Ganga Bhishen Agarwal spent his days in Bikaner inventing the omnipresent snack Bhujia. Soon Haldiram bhujia became irresistible to customers. The most important changes he made to the bhujia was making it out of 'moth dal' Moth lentils rather than besan.

This amendment in delicacy changed his life overnight as moth is very popular and easily available in Rajasthan. He also focussed on making it the fine crispy bhujia we know today transforming it from the fat, slightly bland version from before his time.

The boy in his early days in business also demonstrated a knack for marketing by setting the price point such that the product was more exclusive and not just considered a commodity, selling for 5 paise a kilo as opposed to the earlier 2 paise under his grandfather Bhikharam.

Determined to take bhujia beyond the boundaries of Bikaner, they shifted base to Nagpur in 1970. Their they had opened first full-production unit to introduce a delectable variety of savouries, sweets and beverages to the market. The success of this venture led them to expand and evolve as a brand, that is an integral part of every Indian household today. Today, the company has three areas of operations with Delhi-based Haldiram Snacks and Ethnic Foods in the northern region, Nagpur-based Haldiram Foods International in western and southern regions and a much smaller Kolkata-based Haldiram Bhujiaiwala in the eastern region.

2. COMPANY PROFILE

COMPANY PROFILE

Company Name	Haldiram Foods International Pvt. Ltd.
Company Logo	
Industry	Food
Founded	Bikaner, Rajasthan, India (1941, 81 years Ago)
Founder	Ganga Bishan Agarwal (Haldiram Ji)
Headquarters	Nagpur, Maharashtra, India
Products	Snacks, sweets, beverages, frozen foods, potato chips
Revenue	Rs. 7,130 crore (US\$ 950 million) as per 2019
Website	www.haldiramsonline.com www.haldiramfranchise.com

VISION, MISSION & VALUES

VISION

- achieve continuous and sustainable growth in the business, within India and abroad, organically and inorganically;
- strengthen leadership in traditional snack items, Indian sweets and attain leadership in western snack items; and
- keep innovating new quality products and delight consumers by offering wide range of quality food products at competitive rates.

MISSION

- make available authentic, tasty and quality vegetarian food products made as per global standards at reasonable cost, in India or abroad;
- remain ahead of competitors through product-innovation, adopting new technologies and achieve optimum cost of production;
- always abide by law and care environment;
- provide a friendly working environment that attracts best talent and offers opportunity to our employees to excel and build career;

- provide growth opportunity to all stakeholders including Stockists, distributors, retailers, suppliers, etc.;
- be a debt free company, as far as possible;
- Enhance shareholders net worth; and
- Contribute for social causes (Return to society)

VALUES

- Our core emphasis is on delivering healthy, traditional and delicious foods. Our persistent focus is on quality and freshness; we realize our responsibility to continue delivering food that are customers admire around the world. After all, the award that we cherish the most is the one given by our customers.

AWARDS

- Haldiram's bagged the prestigious '**INTERNATIONAL AWARD FOR FOOD & BEVERAGES**' awarded by Trade Leaders Club in Barcelona, Spain in 1994.
- The Group has also to its credit "**KASHALKAR MEMORAIL AWARD**' presented by All India Food Preservers Association (Regd.) in 1996 at its Golden Jubilee Celebration for manufacturing the best quality food products.

- **'BRAND EQUITY AWARD 1998'** was awarded by Progress Harmony Development Chamber of Commerce & Industry in recognition of creating successful Indian Brand 'HALDIRAM'.
- **'APEDA EXPORT AWARD 2001-2002'**, awarded by Agricultural & Processed Food Products Export Development Authority for the outstanding contribution to the promotion of Agricultural & Processed Food Products during the year 2001-2002.
- **'MERA DELHI AWARD-2004'** for the exemplary contribution in the field of export.

CERTIFICATIONS

Haldiram's has the following quality certifications:

- ISO 9002
- HAC CP

3. RESEARCH STUDY

RELEVANCECE OF THE STUDY

For any business venture, human resource goes hand in hand. Opportunities come and go but business comes from the ones, which are handled properly in terms of leads. Leads for any new opportunity are very important for it to turn out a profitable venture. Promotion plays a very important role in both the departments. Promotion helps us to market a product properly and also helps in increasing the sale of the product as compared to competitors.

OBJECTIVES OF THE STUDY

- To study the top companies which deal with these products.
- To analyse the marketing strategies of Haldiram's which helps the company grow rapidly.
- To know how Haldiram's is competing with its major competitors and holding its market leader position in namkeen industry.

SCOPE OF THE STUDY

- The scope of the study is limited to snacks industry.
- The scope of the study is limited to 2015-2020
- The scope of the study is limited to marketing & promotion strategies of Haldiram foods International Pvt. Ltd.
- The Scope of the study is limited to data collected from internet, websites, articles, books etc.
- It is helpful for the competitors also as they can understand the marketing strategy of Haldiram's.
- It is helpful in identifying the weakness/ strengthening points in their marketing strategy.

HYPOTHESIS

H0- Marketing Strategies are not so effective to attract consumers and increase the sales of the company.

H1- Marketing Strategies are so effective to attract consumers and increase the sales of the company.

4. RESEARCH METHODOLOGY

RESEARCH METHODOLOGY

"Research Methodology comprises of defining & redefining problems, collecting, organizing & evaluating data, making deductions & researching to conclusions."

Research methodology is considered as the nerve of the project. Without a proper well-organized research plan, it is impossible to complete the project and reach to any conclusion. The project was based on the survey plan. The main objective of survey was to collect appropriate data, which work as a base for drawing conclusion and getting result.

Therefore, research methodology is the way to systematically solve the research problem. Research methodology not only talks of the methods but also logic behind the methods used in the context of a research study and it explains why a particular method has been used in the preference of the other methods.

Every project work is based on certain methodology, which is a way to systematically solve the problem or attain its objectives. It is a very important guideline and lead to completion of any project work through observation, data collection and data analysis.

Accordingly, the methodology used in the project is as follows:

- **Research Design**

➤ **Methods of data collection**

RESEARCH DESIGN

"Research Design is a plan, conceptual structure, and strategy of investigation conceived as to obtain answers to research questions and to control variance".

Research design is important primarily because of the increased complexity in the market as well as marketing approaches available to the researchers. In fact, it is the key to the evolution of successful marketing strategies and programmes. It is an important tool to study buyer's behavior, consumption pattern, brand loyalty, and focus market changes. A research design specifies the methods and procedures for conducting a particular study.

METHOD OF DATA COLLECTION

Instrument for the data collection is secondary data. In today's world correct information is the key to success. Secondary data is collected by others but utilized or used by the researcher. Secondary data is data that has already been collected and collated by somebody for some reason, other than the current study. It can be used to get a new perspective on the current study, to supplement or compare the work or to use parts of it, as another study may prove costly and time consuming.

Advantages

1. It is economical. It saves efforts and expenses.
2. It is time saving.
3. It helps to make primary data collection more specific since with the help of secondary data, we are able to make out what are the gaps and deficiencies and what additional information needs to be collected.
4. It helps to improve the understanding of the problem..
5. It provides a basis for comparison for the data that is collected by the researcher.

Evaluation of secondary data :

Evaluation means the following four requirements must be satisfied:

1 Availability- It has to be seen that the kind of data you want is available or not. If it is not available then you have to go for primary data.

2 Relevance- It should be meeting the requirements of the problem. For this we have two criterion:

a Units of measurement should be the same.

b Concepts used must be same and currency of data should not be outdated.

3 Accuracy- In order to find how accurate the data is, the following points must be considered: -

a Specification and methodology used

b Margin of error should be examined.

c The dependability of the source must be seen.

4 Sufficiency- Adequate data should be available.

Precautions in the use of secondary data :

The investigator should consider the following points before using the secondary data:

a) Are the data reliable?

b) Are the data suitable for the purpose of investigation?

c) Are the data adequate?

d) Are the data collected by proper method?

e) From which source were the data collected?

f) Who has collected the data?

Thus, the secondary data should not be used at its face value. It is risky to use such statistics collected by others unless they have been properly scrutinized and found reliable, suitable and adequate. **Thus in my opinion, this was the best method, that could have been used which provided such an in-depth and detailed information.**

5. LITERATURE REVIEW

OVERVIEW OF THE INDUSTRY

Fast-moving consumer goods (FMCG) sector is India's fourth-largest sector with household and personal care accounting for 50% of FMCG sales in India. Growing awareness, easier access and changing lifestyles have been the key growth drivers for the sector. The urban segment (accounts for a revenue share of around 55%) is the largest contributor to the overall revenue generated by the FMCG sector in India. However, in the last few years, the FMCG market has grown at a faster pace in rural India compared to urban India. Semi-urban and rural segments are growing at a rapid pace and FMCG products account for 50% of the total rural spending.

Indian FMCG sector is one of the fastest growing sectors. With its vast population base, growing middle class and strong macro-economic environment, the Indian market has seen processed food emerge as the one of its fastest growing segments. Rapid lifestyle transformation, particularly in urban areas, has resulted in a dramatic increase in the demand for processed, packaged and ready-to-eat food products. With the packaged salty snacks generating a whole new space at the kitchen shelves of the Indian families, it has given chance to many an FMCG companies to explore the market by flooding it with host of traditional snack savouries. Initially housewives in India used to make namkeen at home, but with changing times this is gradually fading away and people have started thinking that it is easier to buy namkeen than make it at home.

Since a traditional Indian family chats over a hot cup of chai with salted snacks by the side the companies have been making a beeline to grab a market share in the salty snack segment. Each company has been flooding the market with a variety of snacks ranging from the much traditional alu bhujia and salted potato chips to the more diverse forms like flavoured chips, kurkuras and munchies. Companies are devising newer ways to penetrate the Indian houses with its offerings be it with more assortments, sizes, price, ways of distributing or advertisements. Hence, this study is based on the effectiveness of the marketing mix of the company which has been a leader in the salted snack segment since its inception as a branded house for the salted snack segment, Bikanerwala Foods International Private Limited.

ORIGIN AND DEVELOPMENT OF THE INDUSTRY

India is the world's second largest producer of food next to China, and has the potential of being the biggest with the food and agricultural sector. The total food production in India is likely to double in the next ten years and there is an opportunity for large investments in food and food processing technologies, skills and equipment, especially in areas of Canning, Dairy and Food Processing, Specialty Processing, Packaging, Frozen Food/Refrigeration and Thermo Processing. Fruits & Vegetables, Fisheries, Milk & Milk Products, Meat & Poultry, Packaged/Convenience Foods, Alcoholic Beverages & Soft Drinks and Grains are important sub-sectors of the food processing industry.

Health Foodland health food supplements is another rapidly rising segment of this industry which is gaining vast popularity amongst the health conscious. India is one of the world's major food producers but accounts for less than 1.5 per cent of international food trade. This indicates vast scope for both investors and exporters. Food exports in 1998 stood at US \$5.8 billion whereas the world total was US \$438 billion. The Indian food industries sales turnover is Rs 140,000 crore (1 crore = 10 million) annually as at the start of year 2000. The industry has the highest number of plants approved by the US. India's food processing sector covers fruit and vegetables; meat and poultry; milk and milk products, alcoholic beverages, fisheries, plantation, grain processing and other consumer product groups like confectionery, chocolates and cocoa products, Soya-based products, mineral

water, high protein foods etc. We cover an exhaustive database of an array of suppliers, manufacturers, exporters and importers widely dealing in sectors like the-Food Industry, Dairy processing. Indian beverage industry etc. We also cover sectors like dairy plants, canning, bottling plants, packaging industries, process machinery etc. The most promising sub-sectors includes -Soft-drink bottling. Confectionery manufacture, Fishing, aquaculture, Grain-milling and grain-based products, Meat and poultry processing, Alcoholic beverages, Milk processing, Tomato paste, Fast-food, Ready-to-eat breakfast cereals, Food additives, flavours etc.

GROWTH AND PRESENT STATUS OF THE INDUSTRY

The Indian snacks market is worth around US\$ 3 billion with the organized segment taking half the market share and has an annual growth rate of 15-20 per cent. The unorganized snacks market is worth US\$ 1.56 billion with a growth rate of 7-8 per cent per year. There are approximately 1000 types of snacks and another 300 types of savouries being sold in the Indian market today. Potato chips and potato-based items are the most popular products with more than 85 per cent share of the salty snack market. Snack food may be broadly classified as:

1. Chips Wafers Crisps

These include deep fried potato chips strips sticks rings and represent a substantial share of the snack food market. Banana wafers jack fruit chips tapioca wafers which are popular in South India also fall into this group.

2. Extruded Food

These are of two types:

- The traditional items made from flours and spices and extruded in the form of sticks strips or spirals such as sev, boondi, papdi, gathia, chakli etc. These items traditionally prepared in households are now marketed in pre-packed forms with different flavors and seasonings.

- The non-traditional pre-formed partly cooked pellets derived from potato starch from cereals and fried at high temperatures for a short time to give expanded light textured products. This group also includes cereal/potato powder mixes which are extrusion cooked and enrobed with oil and flavor.

Many of these products are highly flavoured with spices herbs or cheese. Typical examples are cheese balls "Cheetos" "Kurkure" etc. A large number of products are available in this category and display varying sizes shapes and textures.

3. High Value Items

These are roasted/ Fried/ salted/ flavoured nuts such as peanuts cashewnuts almonds etc.

The key players in the salty snack industry in India are:

1. ATOP Food Products

Indian snack food manufacturer in Gujarat producing potato chips namkeen-chatapata and sweets with strong presence in the Western part of India.

2. AUEVSS Limited

AUEVSS Limited is a recently established Indian potato chip processing company by potato growers and they use this fact to create traceability. The company sells potato chips using the brand name Fryo potato chips. AUEVSS is a subsidiary of Bhagatji Cold Storage.

3. Balaji Wafers Pvt Ltd

Balaji Wafers is one of the larger potato chips producing companies in India with a high market share especially in Gujarat.

4. BB Foods

BB foods (Bankey Bihari Ji Food Products (P) Ltd.) is a company manufacturing pre-fried frozen french fries a range of frozen vegetables curries and snacks like crisps from India.

5. Bikanerwala Foods Pvt Ltd

Bikanerwala Foods Pvt Ltd is the manufacturer and marketer of the Bikanerwala and Bikaner branded Indian style sweets and savory snack products.

6. Britannia

Britannia is one of the leading one the biscuit brands in the country. They have ventured into the salty snack segment with the view of diversifying their portfolio and reduce dependence on one segment.

7. Frito Lays

Frito-Lay is the largest Potato Chips manufacturer in the world. Frito-Lay's brands include Lay's Walkers Smith's Stax Ruffles and many more. Frito-Lay is a subsidiary of Pepsico.

8. Haldiram's

Haldiram's is one of the larger chips and snack manufacturer's in India. Haldiram's is also diversifying into fast food retail chains all over India.

9. ITC

ITC Limited is an Indian telecommunications giant and cigarette manufacturer diversifying in Consumer Packaged Goods market including the snack foods sector.

Brand names: Bingo. Bingo 7 managed to capture an 11% market share of the Indian snack market within 6 months of its launch.

10. Manpreet Foods Pvt Ltd

A company with a background in industrial gases Coal trading and business in Real Properties diversified into the processing of snack foods i.e. Potato Chips & RTE Snacks (Extruded snacks). Manpreet Foods markets their range of products under the "ME2" brand.

11. Nanaji Namkeens Udyog Pvt Ltd

Nanaji Namkeen established in the year 1975 is a traditional namkeen sweets and potato wafers producing company in India catering to the masses largely in Delhi Rajasthan and even south India.

12. Natraj Foods

Natraj Cold Storage and Food Pvt Ltd is a manufacturer of snacks including potato snacks in India. Natraj Foods sells its snacks using brand name "Lip Chip".

13. Potatoking Foods Ltd

Potato King Foods is an Indian manufacturer of dehydrated potato products (potato flakes potato flour potato powder potato granules) and potato chips. Potato King Foods is located in West Bengal.

14. Parle Agro Pvt Ltd

Parle Agro a well known Indian brand had entered the salty snack segment with Musst chips and the baked snack under the brand name of "Hippo"

15. Samrat

Samrat is an Indian Snack food manufacturer located in Gujarat. Samratmanufactures a range of25 snack food products.

16. SM Dyechem Ltd

SM Dyechem Limited has activities in three segments: Meal and Oil Snack Foods and Others. In the snack segment they produce a range of ready-to-eat pelleted and extruded snack products under brand names such as Peppy Piknik and Senor Pepito. According to data monitor they were the #2 player in the Indian savory Snack market in 2005.

FUTURE OF THE INDUSTRY

The Indian FMCG sector is the fourth largest sector in the economy with a total market size in excess of US\$ 13.1 billion. It has a strong MNC presence and is characterized by a well established distribution network, intense competition between the organized and unorganized segments and low operational cost. Availability of key raw materials, cheaper labour costs and presence across the entire value chain gives India a competitive advantage. The snack food market in India is valued at Rs. 1530 crore and is one of the largest markets in the world, out of which potato chips holds the major market share of around 85%. Products covered potato chips, savoury snacks, snacks nuts, and popcorn. Snack foods are highly subjected to impulse buying and have gained popularity, today, due to:

Growing urban population.

- Increase in number of nuclear families..
- Increase in the number of working women.
- Media penetration leading to attraction for novel food, and
- Higher disposable income..

Snacks are a part of consumer convenience/ packaged foods segment. Snacks are described as a small quantity of food eaten between meals or in a place of a meal. Snacks food generally comprises bakery products, ready to eat mixes, chips, namkeen other light processed foods according to the ministry of food processing the, snack food industry worth is 102 billion in value in over 4,00,000 tones in terms of volume.

6. DATA ANALYSIS & INTERPRETATION

6.1 MARKETING MIX OF HALDIRAM'S



1. PRODUCT :

Haldiram's offers a wide range of products to its customers. The product range includes namkeens, sweets, sharbats, bakery items, dairy products, chips, pappad and ice creams. However namkeens remain the main area of focus for the group as it contributes close to 60% of its total revenues. By specializing in the manufacturing in the namkeen market the company has created a niche market. The raw materials used to prepare namkeens are of best of quality and are sourced from all over India.

Haldiram's customizes its products to suit the tastes and preferences of customers from different parts of India. It launched products, which catered to the tastes of people belonging to specific regions. For example it launched 'Murukkus' a south Indian Snack and Chennai Mixture for south Indian customers.

Similarly Haldiram's launched 'bhelpuri' keeping in mind. customers residing in western India. The company offered certain products such as '*Nazarana', 'Panchratan' and 'Premium' only during the festival season in gift packs. These measures have helped Haldiram's compete effectively in a market that is flooded with a variety of snack items in different shapes, sizes & flavors. It has also recently launched biscuits & cookies.

The list of Haldiram's products :

Namkeens:

All in one	Aloo Bhujia	Badam Dalmoth
Badam Lachha	Bhujia	Bhujia Sev
Chana Chips	Chat Pata	Khatta Mittha
Mini Samosa	Navratan Mix	Moong Dal
Supreme Mix	Kaju Dalmoth	Soya Sticks
Dal Biji	Corn Flakes Mixture	Punjabi Tadka
Nimki	Tok jhal Misti	Kashmiri Mixture



Namkeen (Salted Indian Snacks)

Sweets:

Rasgulla	Jamphal	Cham Cham
Kesar Rasbhari	Kalam Petha	Kesar Gendari
Rajbhog	Dry Petha	Karachi Halwa
Soan Papdi	Badam Halwa	Motichoor Ladoo
Kaju Katli	Dhoda Burfee	Moong Dal Burfee
Pinni	Anjeer Burfee	Lachha
Gulab Jamun	Atta Ladoo	Mix Sweet
Rasmalai	Kaju Chocolate Ladoo	Dry Fruits Bites
Mathura Pedas	Milk Cake	



Beverages:

Rose Syrup	Khus Syrup	Orange Syrup
Pineapple Crush	Mango Panna	Lemon Crush
Kala Khatta	Badam Kesariya	Thandai Kesariya
Matka Jhatka	Jal jeera	Kesar Badam Milk



Cookies:

Jeera Cookies	Atta Cookies	Ajwain Cookies
Pista Badam Cookis	Choco chips	Badam Pista
Coconut Cookies	Butter Badam Cookies	Kaju Pista Cookies
Gorus cookis	Jeera Namkeen	All Natural



Ready To Eat Food:

Bhel On Move	Bhel Puri	Panipuri
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Crackers:

Bombay Chana	Chana Dal	Chana Jor Garam
Kabuli Chana	Masala Moong Dal	Moong Dal
Nut Cracker	Chana Cracker	Roasted Chana Cracker



Frozen Foods:

Ajwain Paratha	Aloo Kulcha	Aloo Paratha
Paneer Paratha	Gobhi Paratha	Bhindi Masala
Dal Makhani	Paneer Tikka	Paneer Pakoda
Malai Kofta	Punjabi Samosa	Aloo Tikki
Punjabi Choley	Mutter Kachori	Dal Kachori



Wafers:

Aloo Masala	Chips Classic Salted	Whoopies Chaska
Chips Tangy Tomato	Chips Pudina Treat	Chips Mast Masala
Boletos	Snaclite Twirls	Taka Tak
Panga Teekha Masala	Soya Stick	Panga Crispy Tomato
Whoopies Balls	Whoopies Masala	Whoopies Ticklers
Snaclite Fries	Chips Cream & Onion	Snaclite Spiced



Gift Packs:

Namkeen Nazrana	Sweet Spicy	Meetha Chatpata
Thoda Meetha Thoda Namkeen	Meeth Meethe Pal	Double Maza
Chocolate & Cookis	Royal Temptation	Shahi Andaaz



Nuts:

Nut Cracker	Peanut Salted
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Condiments:

Javitri Papad	Medium Masala Papad
Punjabi masala Papad	Sada Papad



NAMKEENS:

Savouries or namkeens, as they are known, is where the Haldiram's story began.

Savoury snacks have been a part of Indian food habit since ages. They are normally consumed at teatime. The variety is almost mind-boggling with specialties from all regions, which have gained national acceptance.

It's when the spices, salt and entire gamut of ingredients combine together, the Indian Namkeens comes into existence. In the recent times the Indian snacks platter has expanded more than just Samosas and Chaats. The various products offered by Haldirams under this category are a close encounter with the spices of India.

The elaborate range of Haldirams Namkeens ensures we satisfy every taste palate. From regular Bhujias to exotic Mixtures there are more than 20 varieties to choose from. Haldirams Namkeens have a dedicated shelf and range of Gujarati and South Indian Namkeens which are very ethnic snacks from West and South India.

The company has a team of experienced Bikaneri namkeen makers who employ techniques that have remained unchanged for over two hundred years. They use the most high quality and original ingredients. So much so, that even the spices are grinded in special spice grinders to give that original Bikaneri flavour which no one else can deliver. Small wonder then that, they have managed to capture a lion's share of the market. And today "Haldiram's" is a name synonymous with authenticity in namkeen's..

SWEETS:

Can an Indian sumptuous meal be complete without a sweet dish? Be it a marriage or a small celebration at home, the function is incomplete without treating the sweet tooth. Sweets, which is must for some, an indulgence for others; and for Haldiram's another area to establish its superior quality. Haldiram's sweets have found their way into millions of households and left behind an after taste of great satisfaction, which is not surprising because all the sweets here are made traditionally, by expert cooks using the freshest and purest ingredients each day. After which they are tested for quality and taste. Haldiram's sweets are known for their range too. Delicious sweets like Rasgullas, Jamphal (Gulab Jamuns), Raj Bhog, Nargisi Rolls, are hot favourites among people in India and across the world. The fact that Haldiram's sweets are packaged and tinned in mechanized plants, which gives them a long shelf life of about 12 months, is also of great significance.

BEVERAGES:

Imagine a hot summer day and a tall glass of chilled orange crush to cool you down. All through summer and autumn, Indian love having a refreshing glass of sherbet. Sherbets are magical extracts from India exotica: green mango, the fragrant khus, rose petals or just that everyday lemonade-nimbu pani. And then there is the Thandai: a typical Indian cooling drink usually made of a variety of exotic spices and seeds. At Haldirams, they have bottled these sherbet concentrates and have successfully sold all over the world for over 10 years now. Exports of their syrups have increased by 20%

since 2003 touching 18,000 bottles in 2005. And Haldiram's range of crushes and sherbets are another fine example of its plan to diversify and be present in every sphere of the food market.

READY TO EAT FOODS:

As a food company with chain of popular eateries in the city they know what pleases the Indian palate. And that is what makes ready to eats so popular. A basic Indian meal usually consists of rice and helping of lentils and vegetables. Their complete meal range offers plain or lightly. garnished rice with hearty and immensely popular dishes such as Rajma, Dal Tadka, Mutter Paneer, and Kadhi Pakoda. All one has to do is heat a pack and have a complete meal that lacs neither in taste nor nutrition. The range of Haldiram's Ready to Eat will help you serve the famous Indian dishes within few minutes still retaining the taste which one would always long for.

WAFERS:

India moves at the speed of a million opinions a minute. And everywhere accompanying this great vivacity is a range of food that defies categories. They exist simply as chips, nuts, crispies and munchies. No one is averse to a packet of chips, not Indians in any case with their tradition of munching. Today even small shopstock and sell major brands very successfully. They have more than kept up with the times.

5 Varieties of Potato chips and newly introduced Boletos - the netted spicy potato chips are giving their peers tough competition in India already.

The non-serious food is now a serious business in India. Children in India are the best examples. of what India is reaching for. Every global player worth its pack is wooing Indian children. They at Haldirams have successfully launched brands like Takatak and Whoopies, which woe their young customers with different shaped products to keep up with changing times and palates.

GIFT PACKS:

At Haldirams for years they have combined their most popular products in attractive gift packs. These are convenient, ready to gift, durable packs, a perfect choice to gift in person or send by mail for all festive occasions and whenever you feel like celebrating. Every year these packs are designed a fresh so that you do not have to warp it before gifting.

NUTS:

The peanuts, cashews and almonds are especially popular with adult population in India. They. are favorite accompaniment to drinks and turn up regularly on signature platters at all the popular watering holes. The export turnover of Nut Cracker alone has increased by 147% since its introduction, touching 39 tons in 2005. Their premium category brand, Royal Temptations (roasted and spiced cashews and

almonds) sell like hot cakes during the festival seasons in India and are much sought after gift items at their retail outlets.

CONDIMENTS:

A papad or poppadum is an extra in Indian meal yet it is indispensable. The preparation of Papad calls for a delicate balance between the ingredients, and skills on part of craftsmen who is mixing them. At Haldirams they have packed all the mandatory extras so that they can travel several thousand miles to satiate this great Indian longing. Across the USA, Europe and the Middle East, people reach out for these packs in great numbers.

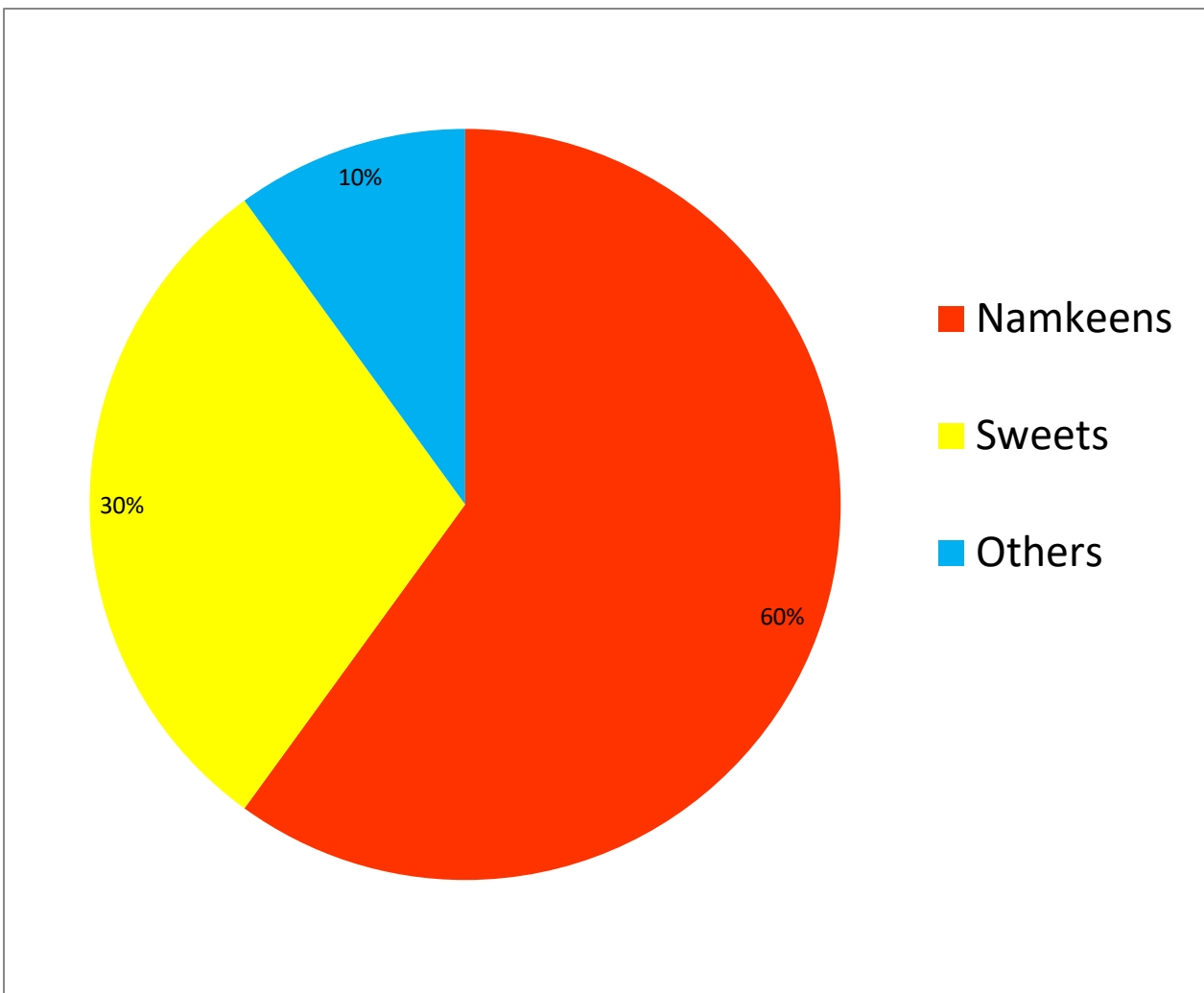
Haldiram's offered a wide range of products to its customers

- Namkeens.
- Sweets
- Sharbat
- Bakery items
- Dairy products
- Papad
- Ice creams
- others

However, namkeens remain the main focus area for the group contributing close to 60% to its total revenue.

Haldiram's sought to customize its product to suit the taste and preference of customers from different of India. It launched the products, which catered to the taste of people belonging to specific region. For examples, it launches 'MURUKKUS', a South Indian snack, and 'Chennai Mixture' for south Indian customers.

PRODUCT PROTFOLO OF HALDIRAM'S



2. PRICE:

Haldiram's offers its products at competitive prices in order to penetrate the huge unorganized market of namkeens and sweets.

- The company pricing strategy has taken into consideration the price conscious nature of consumers in India. Haldiram's has launched namkeens in small packets of 30 grams, priced as low as Rs. 5. The company also launched namkeens in 5 different packs with prices varying according to their weights
- The prices also vary on the basis of the type of namkeens and the raw materials used to manufacture it. The cost of metalized packing also has an impact on the price, especially in the case of snack foods.
- The company revises the prices of its products upwards only when there is a steep increase in the raw material costs or if additional taxes are imposed
- Haldirams charge a minimal premium owing to the branded and well packaged products. They give a huge importance to good presentation and lively packaging as a way of differentiation from other non-branded unorganised products and thus demand a premium for it. But since the premium is so small that consumers usually don't mind given the trusted high-quality products.
- At the same Haldirams, they keep prices slightly lower than other branded competitors like Bikaji, Lehar, Bikano etc. Thus competitive pricing is the backbone of its marketing mix business strategy. To charm the more price sensitive customers, Haldirams has come up with small one-time consumption

packages of 40gms which are priced at Rs.10 for its most famous Bhujia sev under the namkeen category. 150gms packs are priced at Rs.30to Rs. 40, family consumption packs of 350gms and 1 kg are priced at Rs. 70 to Rs.100and Rs.180 to Rs.250 respectively for the same product.

PRICE RANGE OF NAMKEENS OFFERED BY HALDIRAM'S	
PACK WEIGHT	PRICE (IN Rs.)
20 gm - 30 gm	5
40 gm	10
150 gm-250 gm	30-50
300 gm-500 gm	70-150
1kg	180-250

3. PLACE:

The Haldiram's products are distributed all over the country and outside country also.

Haldiram's is successfully exporting its products to USA, UK, Australia, Middle East & Far East Countries, Germany, Philippines, New Zealand, Nepal, Sri Lanka, UAE, France, Spain, Italy, Holland, Japan, etc., Haldiram's is an ISO and HACCP Certified Company and is approved by FDA, USA.

- Haldiram's has developed a strong distribution network to ensure the widest possible reach for its products in India as well as overseas. From the manufacturing unit, the company's finished goods are passed on to the carrying & forward (C&F) agent. C&F agents pass on the products to distributors, who ship them to retail outlets. While the Delhi unit of Haldiram's has 25 C&F agents and 700 distributors in India, the Nagpur unit has 25 C&F agents and 375 distributors. Haldiram's also has 35 sole distributors in the international market. The Delhi and Nagpur units together cater to 0.6 million retail outlets in India.
- C&F agents receive a commission of around 5% while distributors earn margins ranging from 8% to 10%. The retail outlets earn margins from 14% to 30%. At retail outlet level, margins vary according to the weight of packs sold. Retailers earn more margins ranging from 25% to 30% by selling 30gms pouches (priced at Rs.5) compared to the packs of higher weights.
- Apart from the exclusive showrooms owned by Haldiram's, the company offers its products through retail outlets such as supermarkets, sweet shops,

provision stores, bakeries and ice cream parlors. The products are also available in public places such as railway stations and bus stations that account for a sizeable amount of its sales.

- Haldiram's products enjoy phenomenal goodwill and stockiest compete with each other to stock its products. Moreover sweet shops and bakeries stock Haldiram's products despite the fact that the company's products compete with their own products.
- Haldiram's is a trusted brand name synonymous with quality and taste. It started its operations from a small shop in Bikaner and from there has spread its presence in both domestic markets in India and also in international markets. Export orders are carried to several global countries like Thailand, Japan, New Zealand, Australia, UAE, Canada, United Kingdom and Sri Lanka. In domestic arena it operates through its retail chain and its products are easily available in every food store, confectionary store, bakeries, convenient store, local markets, discount stores, superstores and hypermarkets. Its first manufacturing facility was in Kolkata and later plants were established at Nagpur, Bikaner and New Delhi.
- It has several outlets that are spread in places like Kolkata, Mumbai, New Delhi, Nagpur and Bangalore. Haldiram's has an official website where orders can be placed and items procured. Several shopping portals on internet supply products from Haldiram's brand on demand. Haldiram's has a

strong distribution channel to ensure a wider geographical reach in both international and domestic scenes. Finished items from manufacturing outlets are passed to C&F agents and then to distributors who ship the contents to retailers and lastly to consumer markets.

A. Distribution Channel Structure



- At Haldiram, they have defined their distribution network with respect to the weight and price of their various products.
- This is because they have defined their retail outlets in terms of the kind of product they keep. For e.g., a 10 gm bhujiya packet is generally opted by the "paan wala's" and very small retailers. Thus, they have a different distribution channel.
- Similarly, a parallel channel of distributor is for the "kirana stores" in various colonies and localities where our middle class housewife visits who prefers the less than ½ kg packets but more than the small chillar of 10gms. This segment of consumers is supplied through a different set of distributors who stock the 200gm and 400gm packets.

- Thirdly, the big modern grade stores like Spencer's, Vishal Mega Mart, Reliance Fresh, Subhiksha etc., generally prefer keeping the 500 gm and 1 kg packets. They have assigned exclusive distributors for them.
- Fourthly, for army canteens, or BSF. CRPF canteens, there is a separate channel of distribution followed.
- Since, the price at which the products are sold to these canteens are very low, goods are supplied through the exclusive CSD, Company Sales Depots.
- These depots are located near army cants, like one in Delhi near Palam.
- The company has various CSD all throughout the northern and north-eastern India covering as far as Nagaland and Jammu & Kashmir.
- The C&FA are used for distribution of the product outside Delhi, NCR.
- The C&F agents work on Freight paid basis till their warehouse.
- If the Warehouse is either on the first floor or the basement, then the labor charges are born by the agent and not the company.
- Within Delhi, the Distributors are located by dissecting the city into four zones north, east, south and west Delhi.
- Profit Margins within the distribution channel is as following:
 - 4% commission to the C&F (consignee and forwarding) agent,
 - 7% margin to the distributor and
 - 15 to 20% margin to the retailer.
- In case of Army Canteens, a fixed price policy is followed this can be revised once in three years as per govt. regulations

B. Channel Members

Functions Performed by the Channel Member :

- The main functions of different channel members are to supply goods, to achieve targets and to increase sales.
- One of the main functions of C&F agents is to achieve the targets assigned to them. They are responsible for all the activities of their areas.
- Maximum sale of the Haldiram's products comes from the Nankeens and other packed products which is nearly Rs.250 crore yearly.
- The sale of other goods including the sales of its entire outlet is around Rs. 150 crore.

Selection of Channel members :

Channels members are selected if the following facilities are available: -

- Warehouse Facilities.
- Experience sale persons
- Van, truck, three-wheelers for transportation
- Registered office
- Proper computer facility for maintaining accounts
- Financially strong

C. Order processing

Sales persons of C&F agents and distributors go to the retailers of their areas and bring the order daily. After that they give order in the Corporate Office of Haldiram's in Mathura road to the general manager. From corporate office general manager gives order in the factory. (Noaida/Gurgaon/Mathura Road)

- As the order is ready to deliver and on confirming from the corporate office, the goods are delivered in the trucks
- Orders within Delhi and the places near Delhi (like Meerut) are delivered within 24 hours.
- Orders outside Delhi are delivered according to the distance. It takes from 24 hours to 72 hours.
- Every distributor and C&F agent has a fixed day in a week to give an order
- Haldiram's has its own warehouse, which is managed by its own staff

D. Physical movement of the goods

The order of Haldiram's is delivered by truck. Haldiram's pays the expenses for transportation of the goods.

E. Shelf Placement

- Shelf placement is an important issue in today's modern trade stores.
- Though Haldiram can define the shelf space they would prefer at these outlets, their policy is to let the retailer decide it.
- This is mainly due to the following two reasons:
- Firstly, such a demand does not come without a price.
- Secondly, it is believed at Haldiram that their product has the right customer pull so in any case the retailers prefer to keep its product at visible places.

4. PROMOTION:

Haldiram's product promotion had been low key until competition intensified in the snack foods market. The company tied with 'Profile Advertising for promoting its products. Attractive posters, brochures and mailers are designed to enhance the visibility of the Haldiram's brand.

Different varieties of posters are designed to appeal to the masses. The punch line for Haldiram's products was "Always in good taste'. Advertising depicting the entire range of Haldiram's sweets and namkeens were published in the print media (magazines and newspapers). These advertisements had captions such as 'millions of tongues can't go wrong', 'what are you waiting for, Diwali??' and 'Keeping your taste buds on their toes'.

- To increase the visibility of the Haldiram's brand, the company has placed its hoardings in high traffic areas such as train stations and bus stations. Posters are designed for display on public transport vehicles such as buses and hoardings.
- Captions are developed that focus on individual products such as 'yeh corn hai' (this is corn), "chota samosa - big maza' (small samosa- big entertainment) 'yeh kashmiri mix khoob jamega' and 'oozing with taste' (for Rasgoolas) promoted individual products.
- Special brochures are designed for those customers who want to know more about Haldiram's products. The brochures describe the products and give

information about the ingredients used to make those products. Mailers are also sent to loyal customers and important corporate clients as a token of appreciation for their patronage.

- **Packaging** is an important aspect of Haldiram's product promotion. Since namkeens are impulse purchase items, attractive packaging in different colors influences purchases. Haldiram's uses the latest technology (food items were packed in nitrogen filled pouches) to increase the shelf life of its products. While the normal shelf life of a similar product is under a week, the shelf life Haldiram's product is about six months. The company projects the shelf life of its products as its unique selling proposition.
- Posters highlighting the shelf life of its products carried the caption 'six months on the shelf and six seconds in your mouth'.
- During festival season, Haldiram's products are sold in attractive looking special gift packs.
- The showrooms and retail outlets of Haldiram's give importance to the point of purchase (POP) displays. Haldiram's snacks are displayed on special racks, usually outside retail outlets. The showroom has sign boards displaying mouthwatering delicacies with captions such as 'Chinese Delight', 'Simply South', 'The king of all chats. Posters containing a brief account of the history of Haldiram's along with pictures of its products are also displayed at these showrooms.

- Haldiram's has also diversified into the restaurant business to cash on its brand image. The company has established 6 restaurants overall in India. The restaurant at Nagpur devised an innovative strategy to increase its business. It facilitated people who were traveling by train to order food from places where stockists of Haldiram's, Nagpur unit were located. The customer could order for lunch/dinner by sending a demand draft or a cheque to the Nagpur unit or giving the same to specified local distributors belonging to the Nagpur unit. Along with the DD/Cheque, customers had to provide information such as the same name of the train, its likely time of arrival at Nagpur, their names and coach and seat numbers.
- Haldiram's restaurants in Delhi also use innovative ways to attract customers. The restaurants located at Mathura and Lajpat Nagar has special play area for children.
- To cater to NRI's and foreign tourists, who hesitate to consume snack foods sold by the roadside vendors since they do not prepare the foods in a hygienic manner, Haldiram's restaurant uses specially purified water to make snack foods including 'pani puri' & "chat paapri".

These promotional strategies have helped Haldiram's to compete effectively with the local restaurant chains such as Nathu's, Bikanerwala and Aggarwal's and with western fast food chains such as Mc Donald's and Pizza Hut.

Advertising Strategy :

Haldiram's advertisements have traditionally been copy heavy for various reasons and do not have any face, known or otherwise, attached to them. They are graphic heavy as well with extremely vibrant use of colour. Its advertisements earlier had a mature approach with the base line "Always in good taste", but of late due to a shift in target audience the base line of the advertisements too has been changed to "Every zuban pe". This year, an otherwise conservative company, it has upped ad budgets by more than 60% to Rs 1 crore still a far cry though from Lays which spends over Rs 30 crore annually. But these ads were for what it calls its new generation products' chips, funchees, masala balls and Taka-tak.

a) Visual (Typography, Layout)

Haldiram's typography contains a very stylized and sophisticated font style, which conveys the image and the personality of the brand. The layout is picture heavy with extensive use of colour so as to make the advertisement attractive and tempting, which is true of any food advertisement.

b) Verbal (Copy Style)

Initial advertising of the brand contained long copy but this phenomenon has recently changed as the company is now going in for a very precise and clear form of communication in an informal manner.

c) Attitudinal

Haldiram's advertisements are not attitudinal in nature but are rather formal and mature. This trend is steadily converting into a more informal, relaxed and 'hinglish' style.

Marketing Strategies:

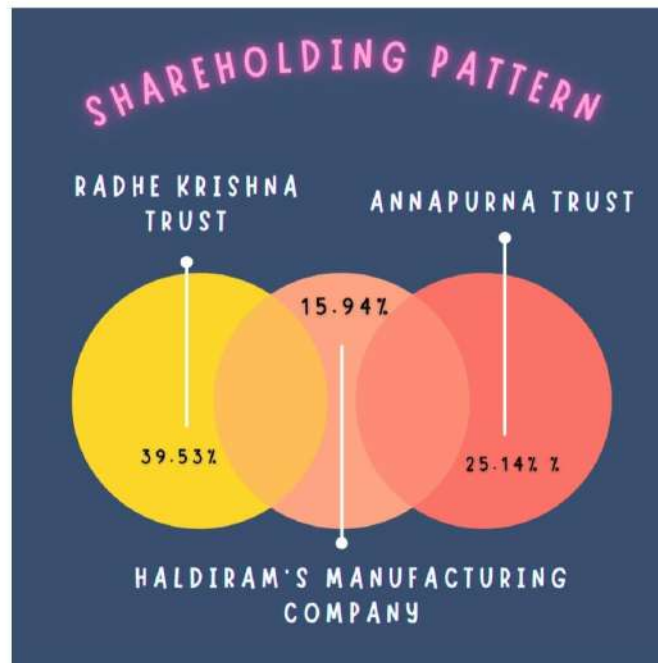
From the initial days onwards Haldiram never invested much in Marketing and advertising to expand his brand they gained their business majorly through word of mouth. But now due to the intense competition, they realized the importance of marketing and advertisement and started gaining attention from them.

One of the major recent campaigns is with Haldiram tied up with a Bollywood movie under Rajshri production 'Prem Ratan Dhan Payo', starring Salman Khan and Sonam Kapoor. It launched a contest for promotions through which they distributed 1.5 crore packets of snacks.

The family business of Haldiram is divided into 4 main entities having businesses in North India, South & West and East Market and having combined revenue in excess of 7000 crores. Below, we are analyzing the financials of one of the group company called **Haldiram Snacks Private Limited having business in the North Indian markets.**

Shareholding Pattern

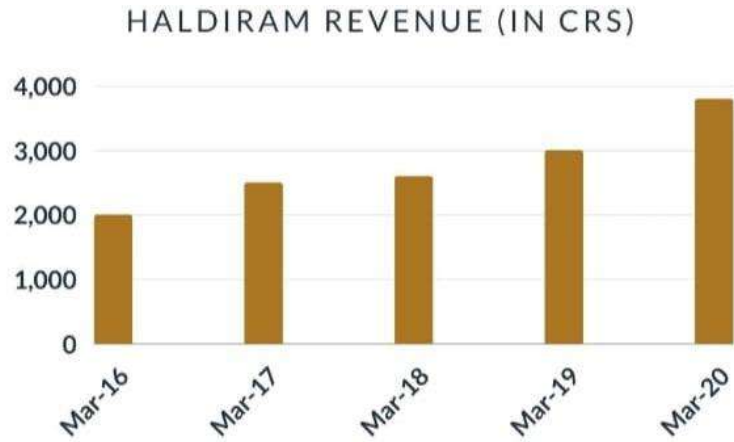
Haldiram Snacks Private Limited is largely owned by a couple of trusts, holding 64.67% stake in the Sweets and Namkeen maker. According to the details till FY 2019-20, Radhe Krishna Trust holds 39.53% and Annapurna Trust holds 25.14% stake in the company. Haldiram manufacturing company has 15.94% stake of the Haldiram Snacks.



Profit and Loss

Particulars	2015	2016	2017	2018	2019	2020
Sales	1769	2004	2499	2623	3094	3801
Cost of Materials Consumed	1078	1196	1529	1363	1800	2194
Purchase of Stock In Trade	21	20	37	215	133	246
Change in Inventory	-10	-0.05	-0.28	6.20	-32.80	-3.53
Employee Benefit Expenses	110	124	159	174	255	326
Other Expenses	290	469	455	305	412	464
Operating Profit	281	195	269	559	526	575
OPM %	15.87%	9.71%	10.98%	21.32%	17.01%	15.12%
Finance Cost	24	20	16	11	19	33
Depreciation	71	84	103	87	120	152
Profit Before Tax	191	91	281	401	507	434
Tax Expenses	63	29	90	151	162	118
Profit After Tax	128	62	191	253	347	319
NPM	7.23%\$	3.08%	7.80%	9.64%	11.23%	8.38%
EPS	39	19	58	77	105	95

Graphical Representation of Haldiram Snacks Private Limited Financials



The sales of the company have been rising consistently from year 2015 to 2020. The total revenue during the period has surged up to 115% to Rs 3,801 crore from Rs 1,769 crore. The operation profit margin has remained in double digits, barring year 2016.

The company has witnessed a consistent rise in Profit after Tax (PAT), which increased up to 150% between 2015 to 2020. The company generated a PAT of Rs 128 in 2015 and Rs 318 in 2020. The net profit margin has remained near double digits during the period under review.

6.2 HALDIRAM'S - THE BRAND

The food industry in India is forever changing to suit their consumers' palate, preference and pocket. All the players in the industry thus, have to constantly adapt to the ever changing trends and invent and re-invent themselves to stay in the league. Haldiram's competes on the basis of numerous factors including brand recognition due to distinct packaging, product quality, traditional taste and authentic Indian flavour. The company's timely introduction of new products and line extension has played a major part in the buying behavior of consumers as well.

A word of caution for the company though is that it should concentrate on its branding activities, which will be its saving grace in the future. As the competition toughens the only thing to see a company through would be its ability to adapt to change, share of space and share of voice in the market.

Eleven Brand Definitions

a) Product

Haldiram's products are traditional high quality Indian sweets, namkeens and snack food items at a premium yet affordable price. They were the first in India to use state of-the-art technology for manufacturing traditional Indian snack items thus setting quality standards and improving the shelf life of the products as well.

b) Brand

When it comes to sweets, namkeens and snack food items, Haldiram's is a name trusted across the Indian sub-continent. It is a name associated with high quality and traditional taste.

c) Brand Name

The brand name Haldiram's came from the owner's forefathers and one thing is clear, the name has been chosen on a purely personal basis. What was chosen as a name for the company decades ago has today revolutionized the way we look at the ethnic snack food industry.

d) Brand Core Values

Haldiram's brand core values are quality, taste, variety, traditional and very Indian.

e) Brand Character

The brand character of Haldiram's that distinguishes it from its main competitor FRITO LAYS is its 'traditional Indian taste'.

f) Brand Personality

It is not the brand alone but the manner in which the brand presents its characteristics. Haldiram's depicts the personality of a man, who is rooted in his tradition out of choice and not compulsion. He is very Indian in his tastes, choices and behavior and puts a high premium on quality as well.

g) Brand Position.

This refers to the consumers' placement of a company vis-à-vis its competitors.

Haldiram's has also been rated as the second fastest growing FMCG Company in India, has 70% of the total market share in the namkeens category and is posing to be the biggest threat to the multinational giant FRITO LAYS in the snack food market. As far as the sweets and namkeens are concerned it is the undisputed leader in the organized sector. Its position in terms of pricing is premium yet affordable. It enjoys top of the mind recall and awareness in its target audience but this could very easily be subverted if the company does not bring into place strong branding strategies immediately.

h) Brand Positioning

Haldiram's has uniquely positioned its brand. It has positioned itself as a premium segment product available to all those who can afford it. It is not perceived to be cheap but does offer good value for money giving high priority to quality and taste standardization throughout its outlets, which are suitably located in posh areas of the city. Initially the brand catered only to the 35+ category with its positioning statement "Always in good taste" but lately the company has started to target kids and teenagers as well with a hinglish baseline "Every zuban pe". Haldirams has also gained an edge over its competitors by minimizing promotion costs. Haldirams once was just another sweet maker but it had moved into trained brands by improving the

product quality and packaging. Through its clever products & brilliant distribution it has moved into the star category of brands.

i) Mnemonic

Whenever one thinks of a brand, the first thing that comes to the mind that reminds us of just the brand and not the features attached to it is considered as the mnemonic for that brand. In Haldiram's case it is not available as yet but is under consideration. For the time being the logo itself could be taken as the mnemonic for the brand.

j) Brand Property

It is the memory device, which not only reminds the consumers of the brand name but also its core values. In case of Haldiram's the brand property would be its red and white stylized logo and its base line "Every zuban pe" which is reminiscent of the fact that the brand is an established one with top of the mind recall.

k) Brand Equity

In case of Haldiram's the brand equity is its 70% holding of the entire market for namkeens, its undisputed leadership in the sweets category and also top of the mind recall amongst the target audiences' vis-à-vis the competitors in the sweets and namkeen market achieved through decades of quality and taste control measures. The taste that Haldiram's provides through its products is very Indian and yet it maintains international quality standards.

6.3 COMPETITION ANALYSIS

Introduction

To retain and expand its market share for higher profitability a company must understand its competitive environment. It must know its competitors, their strategies, the strengths and their weaknesses.

The major objectives of this comparison are to:

- Analyze Haldiram's competition (in Namkeens Segment) from an industry and marketing point of view.
- Analyze the intrinsic long run profit attractiveness through Porter's 5 force model
- Formulation of competitive strategies.
- Study the designing of competitive strategies

Competitors of Haldiram's (in Namkeen Segment)

The following are the major competitors of Haldiram's:

- Frito Lays
- Bikano
- MTR
- Unorganized Sector

However the comparison is restricted to Frito Lays, as this is the closest competitor of Haldiram's.

Levels of Competition

This analysis covers all four levels of competition for Haldiram's: Brand, Industry, Form and Generic.

Table: Levels of Competition

Brand	Bikano, Frito Lays, MTR, Lehar, Unorganized Sector
Industry	Differentiated Oligopoly
Form	Traditional Snack like <i>Samosa, Kachori</i> , et., Burgers, Pizzas, Salty Biscuits, Bakery Items.
Generic	Any product competing for the same amount of consumer dollars

A. Brand Competition

Brand Competition includes other companies offering similar products and services to the same customers at similar prices. Here, the brand competition would be all the companies selling Namkeens along the same lines as Haldiram's. Because of this brands like Bikano, Frito Lays, etc... and the unorganized sector are considered as brand competitors.

B. Industry Competition:

The namkeens industry is essentially made up of a few players producing the same product partially differentiated along the lines of quality, styling and services. This means that the namkeens industry follows the pattern of Differentiated Oligopoly'.

C. Form Competition:

Form competition essentially means that competitors who produce products that supply the same service. In case of Haldiram's Namkeens, it faces stiff competition from traditional snacks like samosas, kachoris etc. and others like salty biscuits, pizzas, burger and bakery items as people tend to substitute namkeens very easily with these products.

D. Generic competition

Generic competition essentially includes those companies competing for the same amount consumer money. In case of Haldiram's, it includes all edible products in the same price range.

6.4 Market leader strategies adopted by Haldiram's

a) Increasing the total market share

Being a market leader, one of Haldiram's strategies has been to solicit new users for their products. They have done this by targeting the NRI's living abroad and exporting their namkeens there. This in turn has also helped create awareness about their product among the non-NRI's abroad. Its foray into the foreign markets has been carefully strategised as in the customization of its products. Apart from this, they have also penetrated the rural markets quite effectively by bringing out their products in small, affordable packets. All these new markets have helped consolidate Haldiram's position as a market leader.

b) Defending Market Share:

To protect its position as market leader, Haldiram's makes use of two defense strategies: Position Defense and Mobile Defense.

1) Position Defense

Haldiram's has built for itself quite a superior brand image, making it extremely difficult for its competitors to break this image. Thus the competitors have to put in extra efforts to create a brand much more superior than Haldiram's.

2) Mobile Defense

This involves the leader stretching its domain over new territories that can serve as future centers for defense and offense. Under this defense, Haldiram's follows the

Market Broadening' mobile defense. The recent establishment of their Nagpur plant shows that they are now concentrating on the Southern region. Also their foray into the international market and their deeper penetration into the rural market coupled with the introduction of their new product range like syrups, pickles, etc.

3) Counter offensive Defense:

When Haldiram's had started its business there were very few other players in the market. That brought in complacency in Haldiram's as far as advertising of its products was concerned. The popularity of Haldiram's has till date spread through the word of mouth. Now with new competitors coming in and advertising their products aggressively Haldiram's has realized the need to advertise its own products and has lately forayed into TV advertisement. Thus Haldiram's has followed counter offensive defense as in it has responded to the competitors attack.

c) Expanding Market Share

1) Haldiram's

Over the years. Haldiram's has been diversifying its product line and entering newer markets. This has resulted in considerably expanding the market share of Haldiram's, thus also substantially increasing their products.

2) Frito Lays

With regard to the namkeens segment, Frito Lays is a relatively new player when compared to Haldiram's. This shows that Lays still has to go a long way if it wants to be the market leader. Haldiram's has a very strong brand loyalty. Hence the strategy currently being adopted by Lays is that of a "Market Challenger".

Share of Market : Mind and Heart

Haldiram's has got the biggest share of mind market because generally it is the first name that comes to the mind of the consumers when namkeens are mentioned. This is re-iterated by the fact that in the consumer behavior survey, 91% of the respondents actually consumed Haldiram's as compared to the other brands. Thus the market share of Haldiram's coincides with the mind share mainly because of the high level of market penetration and the word of mouth publicity that the brand enjoys. Haldiram's has become a household name today because of the variety of products it offers, the taste and the good quality of the products, innovative and packaging has also helped in building the brand image. Haldiram's has also got the biggest share of heart because most of the people prefer consuming Haldiram's products. A large share of heart predicts a high market share in the future. Thus Haldiram's enjoys a good share of heart and mind along with the biggest market share. This would help Haldiram's in retaining its share in the market in the future.

6.5 SWOT ANALYSIS

A. Strengths

- Haldiram's has a large product basket for the customers to choose from. One of the biggest reasons for their namkeen segment succeeding is the continuous updating of their product range.
- Their brand is associated with tradition and quality.
- Their products are known among the most hygienic products available in this segment.
- Their packaging is attractive and innovative which makes for easy discernment of their
- products on the shelves, is safe and keeps contents fresh for long.
- Their production processes are semi-automated and by using state of the art technology.
- they have been able to increase the shelf life of their products from one week to six months.
- They are the undisputed market leaders in the namkeen segment.
- Haldiram's has been able to build its brand today on the basis of word of mouth publicity. which has actually taken a lot of people by surprise.
- Approval by FDA-HACCP, ISO 9002 and SPA stand testimony to the emphasis that

- Haldiram's lays on the high quality for its products.
- Haldiram's is aggressively trying to capture the international markets by customizing its products and packaging according to foreign tastes.
- Though a large percentage of their consumers are middle-aged customers who are fond of namkeens, yet they are successfully catering to all age groups and sections of society.
- By launching small packets of their diverse namkeen products, they have successfully penetrated the rural markets.
- Online selling of their products through indiatimes.com

B. Weaknesses

- Haldiram's doesn't lay emphasis on the need to carry out market surveys either to know the consumer needs or their feedback.
- Haldiram's started advertising its products too late, as it is not a firm believer in big marketing budgets and lavish promos because of which they might have lost the initial advantage.
- The Company has no policies on Corporate Social Responsibility and environmental norms, which may affect their Goodwill in the long run.

- The Haldiram's group consists of three concerns that are independent of each other and also there is a lack of collaboration between the three concerns, which affects the reputation of the company and is a hindrance in its growth.
- The company is not as cash rich as its competitors, which gives its competitors an edge. Company portfolio does not include western snack foods.

C. Opportunities

- Though till now, Haldiram's presence in the western snack foods segment is restricted to potato chips. It has plans to market convenience food products in the ready-to-eat format, such as paneer, pulao, dal and vegetables.
- If the company starts associating itself with other brands, it will help strengthen the brand image and bring in larger profits.
- Haldiram's doesn't have any special namkeen for the kids and teenagers segment, which is a huge potential target market.
- Diversifying the namkeen product line further through constant innovation.
- Greater scope to increase market share and profits as they have just started advertising. Opportunity to go into radio advertising leading to greater rural penetration.
- To cut into the unbranded sector by reducing prices to capture value conscious customers.

D. Threats

- A large number of competitors have started entering this segment which might erode the market share of Haldiram's. For example companies like Frito Lay's, ITC, etc, which is cash rich companies, can actually undercut Haldiram's profits as they can afford to reduce their prices.
- As there are three concerns under the Haldiram's group, the quality standards differ substantially and any irresponsibility on the part of any one concern will have a negative impact on all the three as they share the same brand name.
- Competitors such as MTR, Tasty Bites and ITC have already entered the western snack food market and taken the initial advantage whereas except for potato chips, Haldiram's is still considering entering this segment.
- If Haldiram's doesn't realize the importance of aggressive advertising, its competitors will cut into its market share as they do advertise on a large scale.
- Competition from local restaurants cum sweet shops.
- High market presence and share of the unorganized sector.

SWOT Matrix – 1

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Existing customer base largely middle-aged people, with an opportunity to tap kids and teenager segment using their brand name. • Ability to use superior technology, brand name and packaging techniques to cut into the unbranded sector. 	<ul style="list-style-type: none"> • Overcoming competition by utilizing their wide variety of products
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Opportunity to spread the brand name and increase market share through aggressive advertising, which they haven't yet resorted to • By integrating all the three concerns under the group, Haldiram's can eliminate brand fragmentation and increase its profits. 	<ul style="list-style-type: none"> • Conflict between concerns resulting in cutting into each other's market share. • Lack of transparency in the organization, which may cause difficulty in raising funds for further • Lack of Corporate Social Responsibility (CSR), which may affect the Goodwill of the organization.

SWOT Matrix – 2

STRENGTHS	WEAKNESSES
<ol style="list-style-type: none"> 1. Variety 2. Brand Image 3. Hygienic 4. Packaging 5. Technology 6. Market Leader 7. Word of mouth publicity 8. Quality 9. Exports 10. Wide consumer base 11. Rural penetration 12. Online selling 	<ol style="list-style-type: none"> 1. Market Surveys 2. Started advertising too late 3. No policies on CSR 4. Lack of collaboration between the three 5. Not cash rich as it's competitors
OPPORTUNITIES	THREATS
<ol style="list-style-type: none"> 1. Western snack foods segment 2. Associating with other brands 3. Kids and teenagers segment 4. Diversifying further 5. Radio advertising 	<ol style="list-style-type: none"> 1. Large number of competitors 2. Three concerns affecting each other's image. 3. Competitors have already entered the western snack foods market. 4. Lack of aggressive advertising.

HYPOTHESIS TESTING

Hypothesis No. 1

From the said research study, it was found that alternate hypothesis i.e., “Marketing Strategies are so effective to attract consumers and increase the sales of the company” has been accepted and null hypothesis is rejected.

7. FINDINGS & CONCLUSIONS

FINDINGS

From the initial days onwards Haldiram never invested much in Marketing and advertising to expand his brand they gained their business majorly through word of mouth. But now due to the intense competition, they realized the importance of marketing and advertisement and started gaining attention from them.

CONCLUSION

The market is clogged with dominant players such as Frito-Lay India, PepsiCo's snack foods arm, which has almost brought in a snack-chip revolution in the country, Haldiram's and the Delhi-based snack-food-retailer Bikanerwala Foods Pvt Ltd etc. Even the dairy major Mother Dairy has a presence in the category. With the entry of companies such as ITC and HLL into this industry, it is getting tough for companies such as Haldiram's who till now have not paid serious attention to its branding activities.

Increased media exposure, ever increasing purchasing power of the target audience coupled with their desire to spend more on eating out due to lifestyle changes will fuel the demand for snack food items and only those companies which have a considerable share of voice and space in the market will be able to survive.

Haldiram's has the capability of meeting these demands and only requires a certain revision in its strategies to be able to do so successfully, which it already has begun to consider.

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