### G.S. College Of Commerce & Economics, Nagpur Academic Year 2022 -23



# **Project Report**

"SALES PROMOTION STRATEGY OF CADBURY"

**Submitted to** 

G. S. College of Commerce & Economics, Nagpur
Affiliated to

Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur

In partial fulfillment for the award of the degree of

### **Bachelor of Business Administration**

**Submitted by** 

**NAVEEN CHOUDHARY** 

**Under the Guidance of** 

DR. PRAGATI PANDEY

# G.S. College Of Commerce & Economics, Nagpur Academic Year 2022 – 23



# **CERTIFICATE**

This is to certify that "NAVEEN CHOUDHARY" has submitted the project report titled "SALES PROMOTION STRATEGY OF CADBURY", 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 RashtrasantTukadoji Maharaj Nagpur University, Nagpur.

DR. PRAGATI PANDEY (Project Guide)

DR.AFSAR SHEIKH (Co-Ordinator)

Place:
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Date:

### G.S. College Of Commerce & Economics, Nagpur





# **DECLARATION**

I here-by declare that the project with title "SALES PROMOTION STRATEGY OF CADBURY"
has been completed by me in partial fulfillment of BACHELOR OF BUSINESS ADMINISTRATION
degree examination as prescribed by RashtrasantTukadoji 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.

NAVEEN CHOUDHARY

Р	ace:

**Date:** 

#### G.S. College of Commerce & Economics, Nagpur

Academic Year 2022-



## **ACKNOWLEDGEMENT**

With immense pride and sense of gratitude, I take this golden opportunity to express my sincere regards to Dr. Swati S. Kathaley, Principal, G.S. College of Commerce & Economics, Nagpur.

I am extremely thankful to my Project Guide Dr. Pragati Pandey for his/her guideline throughout the project. I tender my sincere regards to Co-Ordinator, Dr. Afsar Sheikh for giving me outstanding guidance, enthusiastic suggestions and invaluable encouragement which helped me in the completion of the project.

I will fail in my duty if I do not thank the non-Teaching staff of the college for their Cooperation.

I would like to thank all those who helped me in making this project complete and successful.

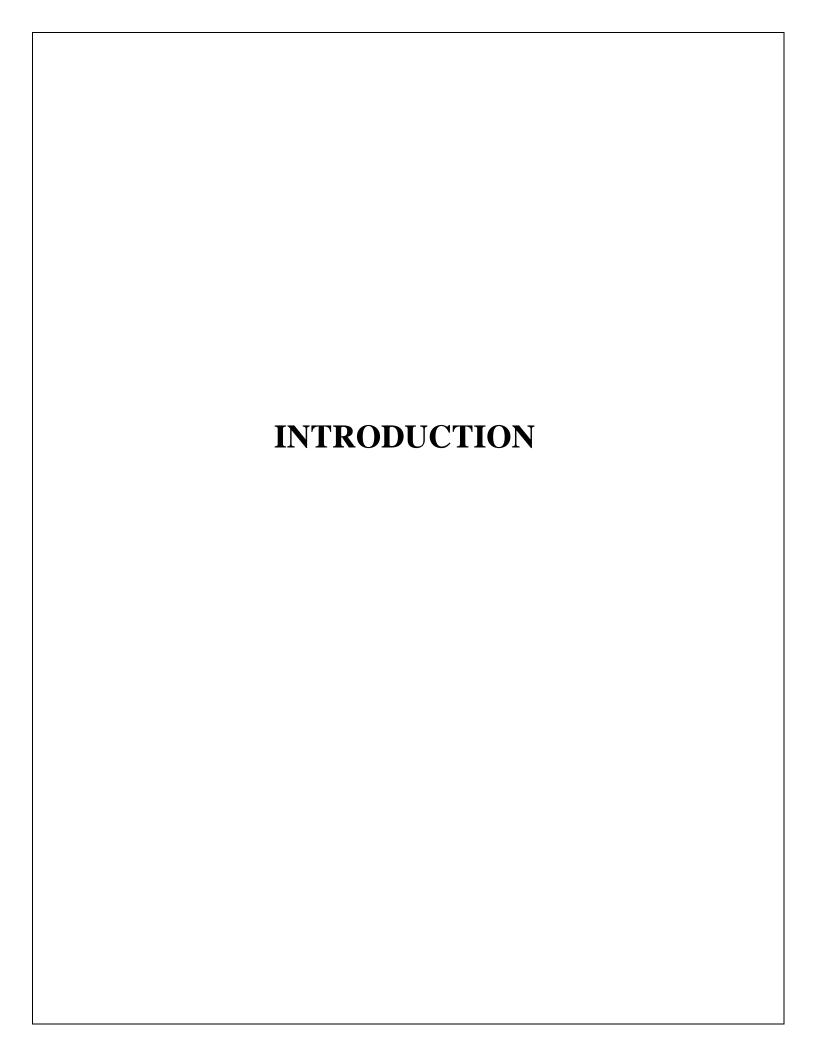
NAVEEN CHOUDHARY

Place: Nagpur

Date:

# **INDEX**

Sr. No.	Topic	Pg. No.
1	INTRODUCTION	
2	COMPANY PROFILE	
3	LITERATURE REVIEW	
4	SIGNIFICANCE OF STUDY	
5	PROMOTION STRATEGIES	
6	RESEARCH METHODOLOGY  METHOD OF DATA COLLECTION  PRIMARY DATA  SECONDARY DATA	
7	HYPOTHESIS	
8	DATA ANALYSIS	
9	CONCLUSION	
10	SUGGESTIONS FINDINGS	
11	BIBLIOGRAPHY	



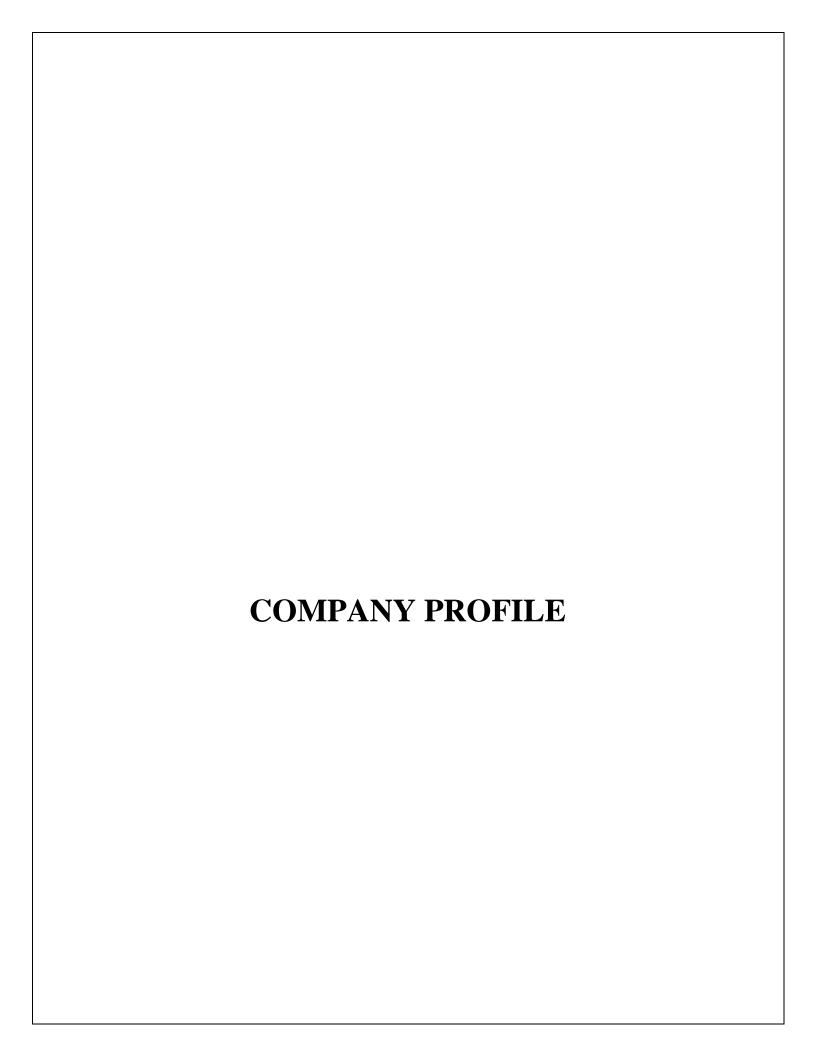
#### INTRODUCTION

Though the Indian market has lot of potential to expand, it is very hard to survive in this kind of market. The Indian market has cut throat competition may it be in FMCG sector or consumer durables. Increasing growth can be achieved at the expense of competitors. This results in companies trying to gain competitive edge through increasing differentiation in their brands emphasizing how they meet the needs of customer.

Today's consumers are becoming harder please. They are smarter, many more competitors with equal or better offers approach more price conscious, more demanding, less forgiving and them. The challenge is not only to produce good products but also to make people buy them. Now on such a competitive field it becomes a Herculean task for a company to differentiate its brands and make them stand out among the diverse range. The company tries to overcome such difficulties by introducing various marketing strategies and advertising techniques, sales promotion is now a day's widely used strategies by various companies. Various sales promotion techniques helps the company to increase its sales by offering something free with the product or by offering the product at lower cost if purchased at a large quantity. This increase in sales is generally short term. Promotion helps the company to create awareness and interest towards the product that is followed by the desire to buy the product.

It's important you position your giveaway effectively. The test liking and the desire of the child is considered before making buying decision. So various companies are targeting the children for sales promotion. If the child is happy then the parents readily buys the product.

This report attempts to study the sales promotion strategies for children that are adopted by the companies in growing its sales volume.



#### **COMPANY PROFILE**

- To study the sales promotion strategy of Cadbury India limited by doing secondary market research
- To study the Cadbury competitors in Indian market. □To study the most effective promotion strategy of Cadbury in India.

#### 3.1HISTORY OF CADBURY

Cadbury's as we know it today started from humble beginnings in Bull Street, Birmingham. A shop was opened by John Cadbury in 1824. It did not start as a confectionery shop but sold tea and coffee and homemade drinking chocolate or cocoa which he made himself for his customers.

John Cadbury moved into the manufacturing of drinking chocolate and cocoa. By the early 1840's Cadbury operated from a factory in Bridge Street and went into partnership with his brother Benjamin. 'Cadbury Brothers of Birmingham'. Cadbury's received a Royal Warrant in 1854 as manufacturers of chocolate for Queen Victoria. Cadbury's moved on to become a limited company and after the death of Richard Cadbury the sons of the two brothers joined the firm headed by George Cadbury. This was very much a family business in every sense of the word.

In 1969 the Cadbury Group merged with Schweppes. Cadbury Schweppes Plc is a leader in confectionery and soft drinks both in the UK and abroad. With factories all over the world and a host of well known brand names it has become a household name in many countries.

#### 3.2INTRODUCTION TO COMPANY



Cadbury India is a food product company with interests in Chocolate Confectionery, Milk Food Drinks, Snacks, and Candy. Cadbury is the market leader in Chocolate Confectionery business with a market share of over 70%. Some of the key brands of Cadbury are Cadbury Dairy Milk, 5 Star, Perk, Éclairs, Celebrations, Temptations, and Gems. In Milk Food drinks segment, Cadbury's main product - Bournvita is the leading Malted Food Drink in the country.

Cadbury is the world's largest confectionery company and its origins can be traced back to 1783 when Jacob Schweppes perfected his process for manufacturing carbonated mineral water in Geneva, Switzerland. In 1824, John Cadbury opened in Birmingham selling cocoa and chocolate. Cadbury and Schweppes merged in 1969 to form Cadbury Schweppes plc. Milk chocolate for eating was first made by Cadbury in 1897 by adding milk powder paste to the dark chocolate recipe of cocoa mass, cocoa butter and sugar. In 1905, Cadbury's top selling brand, Cadbury Dairy Milk, was launched. By 1913 Dairy Milk had become Cadbury's best selling line and in the mid twenties Cadbury's Dairy Milk gained its status as the brand leader. Cadbury India began its operations in 1948 by importing chocolates and then re-packing them before distribution in the Indian market. Today, Cadbury has five company-owned manufacturing facilities at Thane, Induri (Pune) and Malanpur (Gwalior), Bangalore and Baddi (Himachal Pradesh) and 4 sales offices (New Delhi, Mumbai, Kolkota and

Chennai). Its corporate office is in Mumbai. Worldwide, Cadbury employs 60,000 people in over 200 countries.

Cadbury's distribution network used to encompasses 2100 distributors and 450,000 retailers. To avoid cannibalization of its higher priced products from lower priced ones, Cadbury is setting up two separate distribution channels – one for Core business & other for Mass markets, with different stockists, wholesalers and retailers. But today, Cadbury's distribution network reaches out to six lakh outlets each for its chocolate & confectionery brands (i.e. total reaching12 lakh outlets).

The total confectionery market is valued at Rupees 41 billion with a volume turnover of about 223500 tonnes per annum. The category is largely consumed in urban areas with a 73% skew to urban markets and a 27% to rural markets. Hard boiled candy accounts for 18%, Eclairs and Toffees accounts for 18%, Gums and Mints and lozenges are at par and account for 13%. Digestive Candies and Lollipops account for 2.0% share respectively. Overall industry growth is estimated at 23% in the chocolates segment and sugar confectionery segment has declined by 19%. The Milk Beverages industry is valued at Rupees 16.1 billion with an annual turnover of approx 63,000 tonnes. As per Nielsen estimates the industry is growing at 10.1%.

#### 3.3.2 CADBURY INDIA

Cadbury India is a fully owned subsidy of Kraft Foods Inc. The combination of Kraft Foods and Cadbury creates a global powerhouse in snacks, confectionery and quick meals. With annual revenues of approximately \$50 billion, the combined company is the world's second largest food company, making delicious products for billions of consumers in more than 160 countries. We employ approximately 140,000 people and have operations in more than 70 countries. Our core purpose "make today delicious" captures the spirit of what we are trying to achieve as a business. We make delicious foods you can feel good about. Whether watching your weight or preparing to celebrate, grabbing a quick bite or sitting down to family night, we pour our hearts into creating foods that are wholesome and delicious.

In India, Cadbury began its operations in 1948 by importing chocolates. After over 60 years of existence, it today has six company-owned manufacturing facilities at Thane, Induri (Pune) and Malanpur (Gwalior), Bangalore and Baddi (Himachal Pradesh) Hyderabad and 4 sales offices (New Delhi, Mumbai, Kolkata and Chennai). The corporate office is in Mumbai.

#### 3.3MISSION

"Cadbury's mission statement says simply: 'Cadbury means quality'; this is our promise. Our reputation is built upon quality; our commitment to continuous improvement will ensure that our promise is delivered'

#### 3.4VISION

The Barrow Cadbury Trust's vision is of a peaceful, equitable society, free from discrimination and based on the principle of social justice for all

#### 3.5OBJECTIVES

- To find out the famous products of cadbury among the consumers.
- To find out the consumer behaviour towards cadbury.
- To make lots of chocolate.
- Improve the quality of their chocolate.
- To Survive in the market.



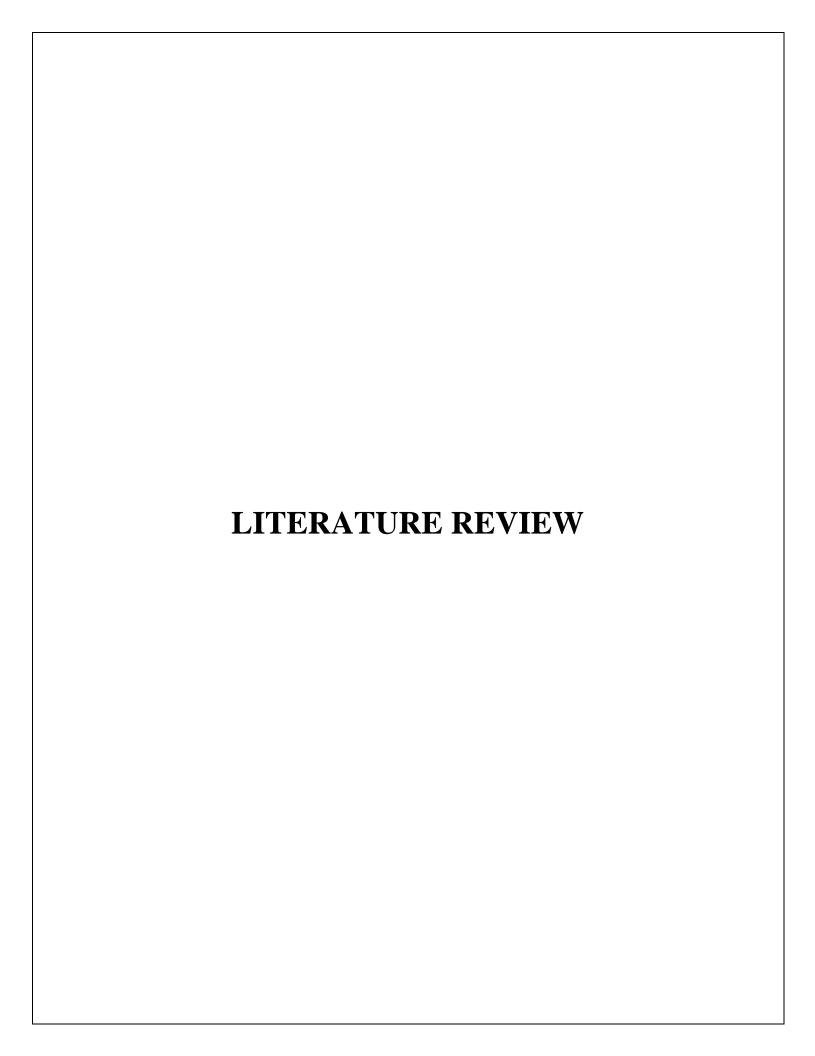


#### 5.2 <u>CADBURY'S BRANDS</u>

Cadbury Brands are divided in five categories:

#### 1. CHOCOLATES

- Cadbury Dairy Milk: Cadbury Dairy Milk has been the market leader in the chocolate category for years. And has participated and been a part of every Indian's moments of happiness, joy and celebration. Today, Cadbury Dairy Milk alone holds 30% value share of the Indian chocolate market. In the early 90's, chocolates were seen as 'meant for kids', usually a reward or a bribe for children. In the Mid 90's the category was re-defined by the very popular `Real Taste of Life' campaign, shifting the focus from `just for kids' to the `kid in all of us'. It appealed to the child in every adult. And Cadbury Dairy Milk became the perfect expression of 'spontaneity' and 'shared good feelings.
- <u>5 Star</u>: A leading knight in the Cadbury portfolio and the second largest after Cadbury Dairy Milk with a market share of 14%, Cadbury 5 Star moves from strength to strength every year by increasing its user base. More recently, to give consumers another reason to come into the Cadbury 5 Star fold, Cadbury 5 Star Crunchy was launched.
- Perk: With the rise of more value-for-money brands in the wafer chocolate segment, Cadbury Perk unveiled two new offerings Perk XL and XXL.In 2004, with an added dose of 'Real Cadbury Dairy Milk' and an 'improved wafer', Perk became even more irresistible. The product was supported in the market with a new look and a new campaign. The advertisement spoke of the irresistible aspect of the brand, with 'Baaki sab Bhoola de' becoming the new mantra for Cadbury Perk.



#### LITERATURE REVIEW

According to Kumar and Dubey (2013), the researchers analysed the impact of sales promotion strategies on the purchase behaviour of consumers in the confectionery industry. The study found that sales promotion strategies such as coupons, premiums, and point-of-purchase displays had a significant impact on consumer purchase behaviour.

According to Wambui and Njogu (2015), the researchers analysed the effectiveness of sales promotion strategies on the sales performance of Cadbury products in Kenya. The study found that sales promotion strategies such as price discounts and point-of-purchase displays had a positive impact on the sales performance of Cadbury products.

According to Bambauer-Sachse and Mangold (2011) analysed the effectiveness of sales promotion strategies in the confectionery industry using the example of Cadbury. The study found that sales promotion strategies such as contests, sweepstakes, and sampling were effective in increasing sales and brand awareness for Cadbury products.

**According to Kansra and Chauhan (2014)** analysed the impact of sales promotion strategies on consumer buying behaviour for Cadbury products in India. The study found that sales promotion strategies such as price discounts, free samples, and contests had a positive impact on consumer buying behaviour.

#### SIGNIFICANCE OF STUDY

- To Study the sales promotion strategy of Cadbury India Ltd by doing secondary market research.
- To study the Cadbury competitor in Indian market.
- To study the most effective promotion strategy of Cadbury in India .



#### **PROMOTION STRATEGIES**

#### **MEANING**

Promotion Strategy - the element of a firm's decision-making concerned with choosing the most appropriate mix of advertising, sales promotion, personal selling and publicity for communication with its market. The Promotion Strategy are as follows.

#### 4.1PULL STRATEGY FOR SALES PROMOTION

Sales promotion decisions are significantly affected by whether the company decides to do "pull or push strategies" to accomplish its objectives. Such a decision may require a little or a lot of cooperation from resellers. The requirements to implement one strategy might be little more than to just stock the product by the retailers.

The other strategy may demand more participation from resellers such as the ability to explain to the consumers as to how a product works.

#### **PULL STRATEGY**

In case of using a pull strategy, marketing efforts are directed at the ultimate consumer and consumer promotions such as consumer contests and sweepstakes, rebates, coupons, free samples, consumer premiums, etc are used. If this strategy is also chosen to include advertising, then, there are large advertising expenditures.

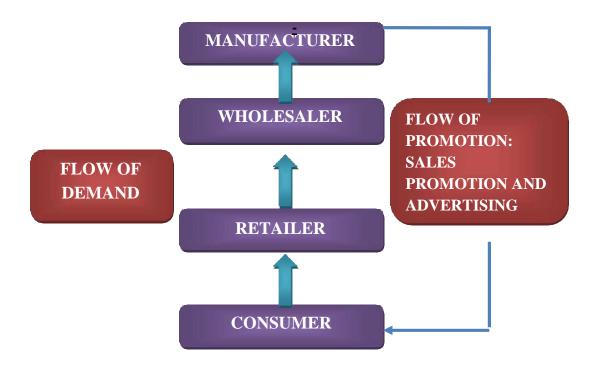
The objective of such promotional efforts would be to create sufficient consumer demand to pull the product through the channels that is the consumers are encouraged to demand the product from retailers who in torn place orders with wholesaler or manufacturer to meet the consumer demand.

This strategy may require little promotional efforts from the resellers except to stock input the product on shelves.

# A pull strategy is appropriate when:-

- The product demand as high.
- It is possible to differentiate the product on the basis of real or emotional features.
- Brand consumers show high degree of involvement in the product purchase,
- There is reasonably high brand loyalty and Consumers make brand choice decision before they go to the store.

#### **PULL:**-



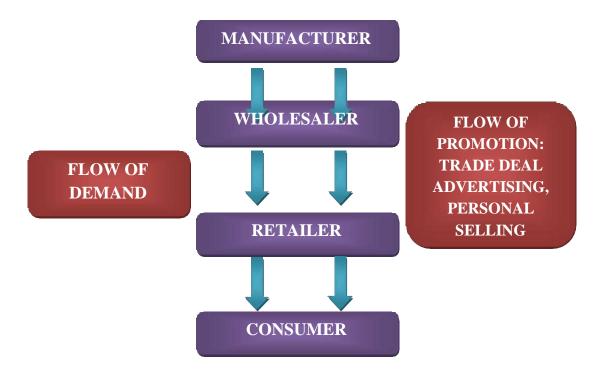
#### 4.2PUSH STRATAGY FOR SALES PROMOTION

If a firm decides to use push strategy, its efforts are directed at resellers and the manufacturer becomes very dependent on their personal selling abilities and efforts.

The promotional efforts are focused at pushing the product through the distribution channels; the resellers may be required to display, demonstrate and offer discounts, to sell the product.

The communication to resellers is generally through trade circulars or the sales force.

#### **PUSH:-**



#### Push strategies generally appropriate for:-

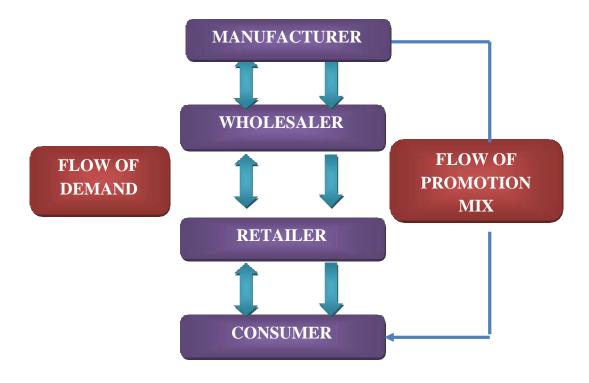
- Product categories where there is low brand loyalty
- Where many acceptable substitutes are available in the market.
- Relatively new products are to be launched
- When the brand choice is often made in response to displays in the stores,
- The product purchase is unplanned or on impulse and □ The consumer is familiar and has reasonably adequate knowledge about the product.

Manufacturers, who cannot afford to engage in sustained mass advertising, often use push strategy and offer effective incentives to dealers.

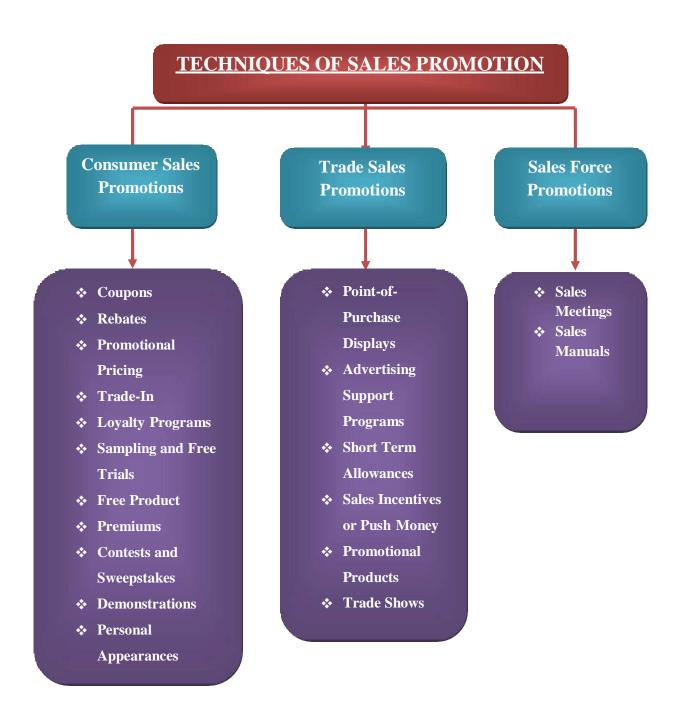
Retailer promotion: Buy **Cadbury's** products worth Rs.3000/- and get any 30 chocolates worth Rs.5 each free.

Through this offer the company is pushing its product to the retailers and now that the retailer has enough incentive the retailer stocks more and thus it becomes essential for the retailer to push the product to the consumers.

#### **PULL AND PUSH:-**



#### 4.3 TECHNIQUES OF SALES PROMOTION



According to the **Institute of Sales Promotion**, "**Sales Promotion** comprises that range of techniques used to attain sales or marketing objectives in a cost effective manner by adding value to a product or service either to intermediaries or end users, normally but not exclusively within a defined time period."

Almost every Company uses Sales Promotion techniques at some stage of the product life cycle since sales promotion techniques provide a strong incentive to BUY!

#### **CONSUMER SALES PROMOTION:-**

Consumer sales promotions encompass a variety of short-term promotional techniques designed to induce customers to respond in some way. The most popular consumer sales promotions are directly associated with product purchasing. These promotions are intended to enhance the value of a product purchase by either reducing the overall cost of the product (i.e., get same product but for less money) or by adding more benefit to the regular purchase price (i.e., get more for the money).

While tying a promotion to an immediate purchase is a major use of consumer sales promotion, it is not the only one. As we noted above, promotion techniques can be used to achieve other objectives such as building brand loyalty or creating product awareness.

Consequently, a marketer's promotional toolbox contains a large variety of consumer promotions.

The following 11 types of consumer sales promotions are:-

- A. Coupons
- B. Rebates
- C. Promotional Pricing
- D. Trade-In

- E. Loyalty Programs
- F. Sampling and Free Trials
- G. Free Product
- H. Premiums
- I. Contests and Sweepstakes
- J. Demonstrations
- K. Personal Appearances

#### A. Coupons:

Most consumers are quite familiar with this form of sales promotion, which offers purchasers price savings or other incentives when the coupon is redeemed at the time of purchase. Coupons are short-term in nature since most (but not all) carry an expiration date after which the value may not be received. Also, coupons require consumer involvement in order for value to be realized. In most cases involvement consists of the consumer making an effort to obtain the coupon (e.g., clip from newspaper) and then presenting it at the time of purchase.

Coupons are used widely by marketers across many retail industries and reach consumers in a number of different delivery formats including:

- <u>Free-Standing Inserts (FSI)</u>— Here coupon placement occurs loosely (i.e., inserted) within media, such as newspapers and direct mail, and may or may not require the customer to cut away from other material in order to use.
- <u>Cross-Product</u>— These consist of coupons placed within or on other products. Often a marketer will use this method to promote one product by placing the coupon inside another major selling product. For example, a pharmaceutical company may imprint a coupon for a cough remedy on the box of a pain medication. Also, this delivery approach is used when two marketers have struck

- a cross promotion arrangement where each agrees to undertake certain marketing activity for the other.
- **Printout** A delivery method that is common in many food stores is to present coupons to a customer at the conclusion of the purchasing process. These coupons, which are often printed on the spot, are intended to be used for a future purchase and not for the current purchase which triggered the printing.
- **Product Display** Some coupons are nearly impossible for customers to miss as they are located in close proximity to the product. In some instances coupons may be contained within a coupon dispenser fastened to the shelf holding the product while in other cases coupons may be attached to a special display (see POP display below) where customers can remove them (e.g., tear off).
- <u>Internet</u>— Several specialized websites, such as HotCoupons.com, and even some manufacturer's sites, allow customers to print out coupons. These coupons are often the same ones appearing in other media, such as newspapers or direct mail. In other cases, coupons may be sent via email, though to be effective the customer's email
  - program must be able to receive HTML email (and not text only) in order to maintain required design elements (e.g., bar code).
- <u>Electronic</u> The Internet is also seeing the emergence of new non-printable coupons redeemable through website purchases. These electronic coupons are redeemed when the customer enters a designated coupon code during the purchase process.

#### B. Rebates:

Rebates, like coupons, offer value to purchasers typically by lowering the customer's final cost for acquiring the product. While rebates share some similarities with coupons, they differ in several keys aspects. First, rebates are generally handed or offered (e.g., accessible on the Internet) to customers after a purchase is made and cannot be used to obtain immediate savings in the way coupons are used. (So called "instant rebates",

where customers receive price reductions at the time of purchase, have elements of both coupons and rebates, but for our purposes we will classify these as coupons due to the timing of the reward to the customer.)

Second, rebates often request the purchaser to submit personal data in order to obtain the rebate. For instance, customer identification, including name, address and contact information, is generally required to obtain a rebate. Also, the marketer may ask those seeking a rebate to provide additional data such as indicating the reason for making the purchase.

Third, unlike coupons that always offer value when used in a purchase (assuming it is accepted by the retailer), receiving a rebate only guarantees value if the customer takes actions. Marketers know that not all customers will respond to a rebate. Some will misplace or forget to submit the rebate while others may submit after a required deadline. Marketers factor in the non-redemption rate as they attempt to calculate the cost of the rebate promotion.

Finally, rebates tend to be used as a value enhancement in higher priced products compared to coupons. For instance, rebates are a popular promotion for automobiles and computer software where large amounts of money may be returned to the customer.

#### C. Promotional Pricing:

One of the most powerful sales promotion techniques is the short-term price reduction or, as known in some areas, "on sale" pricing. Lowering a product's selling price can have an immediate impact on demand, though marketers must exercise caution since the frequent use of this technique can lead customers to anticipate the reduction and, consequently, withhold purchase until the price reduction occurs again.

#### **D.Trade-In:**

Trade-in promotions allow consumers to obtain lower prices by exchanging something the customer possess, such as an older product that the new purchase will replace. While the idea of gaining price breaks for trading in another product is most frequently seen with automobile sales, such promotions are used in other industries, such as computers and golf equipment, where the customer's exchanged product can be resold by the marketer in order to extract value.

#### C. Loyalty Programs:

Promotions that offer customers a reward, such as price discounts and free products, for frequent purchasing or other activity are called loyalty programs. These promotions have been around for many years but grew rapidly in popularity when introduced in the airline industry as part of frequent-filerprogrames. Loyalty programs are also found in numerous other industries, including grocery, pizza purchasing and online book purchases, where they may also be known as club card programs since members often must use a verification card as evidence of enrollment in the program.

Many loyalty programs have become ingrained as part of the value offered by a marketer. That is, a retailer or marketing organization may offer loyalty programs as general business practice. Under this condition loyalty program does not qualify as a sales promotion since it does not fit the requirement of offering a short-term value (i.e., it is always offered).

However, even within

a loyalty program that is part of a general business practice, a sales promotion can be offered such as special short-term offer that lowers the number of points needed to acquire a free product.

#### F. Samples, Free Product and Premiums:

Enticing members of a target market to try a product is often easy when the trial comes at little or no cost to the customer. The use of samples and free trials may be the oldest of all sales promotion techniques dating back to when society advanced from a culture of self- subsistence to a culture of trade.

Sampling and free trials give customers the opportunity to experience products, often in small quantities or for a short duration, without purchasing the product. Today, these methods are used in almost all industries and are especially useful for getting customers to try a product for the first time.

#### **SAMPLING TECHNIQUE:**

- **❖** In-store sampling
- Door to Door sampling
- Newspaper sampling
- On-package sampling
- Mobile sampling
- Trial offers

Some promotional methods offer free products but with the condition that a purchase be made. The free product may be in the form of additional quantities of the same purchased product (e.g., buy one, get one free) or specialty packages (e.g., value pack) that offer more quantity for the same price as regular packaging.

Another form of sales promotion involving free merchandise is premium or "give-away" items. Premiums differ from samples and free product in that these often do not consist of the actual product, though there is often some connection. For example, a cell phone manufacturer may offer access to free downloadable ringtones for those purchasing a cell phone.

#### F. <u>Demonstrations and Personal Appearances:</u>

Many products benefit from customers being shown how products are used through a demonstration. Whether the demonstration is experienced in-person or via video form, such as over the Internet, this promotional technique can produce highly effective results. Unfortunately, demonstrations are very expensive to produce. Costs involved in demonstrations include paying for the expense of the demonstrator, which can be high if the demonstrator is well-known (e.g., nationally known chef), and also paying for the space where the demonstration is given. An in-person or personal appearance by someone of interest to the target market, such as an author, sports figure or celebrity, is another form of sales promotion capable of generating customer traffic to a physical location. However, as with demonstrations, personal appearance promotion can be expensive since the marketer normally must pay a fee for the person to appear.

#### 4.4TRADE SALES PROMOTION

Certain promotions can help "push" a product through the channel by encouraging channel members to purchase and also promote the product to their customers. For instance, a trade promotion aimed at retailers may encourage retailers to instruct their employees to promote a marketer's brand over competitors' offerings. With thousands of products competing for limited shelf space, spending on trade promotion is nearly equal that spent on consumer promotions.

Many sales promotions aimed at building relationships with channel partners follow similar designs as those directed to consumers including promotional pricing, contests and free product. In addition to these, several other promotional approaches are specifically designed to appeal to trade partners. These approaches include:

- A. Point-of-Purchase Displays
- B. Advertising Support Programs
- C. Short Term Allowances
- D. Sales Incentives or Push Money
- E. Promotional Products
- F. Trade Shows

#### A. Point of Purchase Displays:

Point of purchase (POP) displays is specially designed materials intended for placement in retail stores. These displays allow products to be prominently presented, often in high traffic areas, and thereby increase the probability the product will standout. POP displays come in many styles, though the most popular are ones allowing a product to stand alone, such as in the middle of a store aisle or sit at the end of an aisle (i.e., end-cap) where it will be exposed to heavy customer traffic.

For channel partners, POP displays can result in significant sales increases compared to sales levels in a normal shelf position. Also, many marketers will lower the per-unit cost of products in the POP display as an incentive for retailers to agree to include the display in their stores.

#### B. Advertising Support Programs:

In addition to offering promotional support in the form of physical displays, marketers can attract channel members' interest by offering financial assistance in the form of advertising money. These funds are often directed to retailers who then include the company's products in their advertising. In certain cases the marketer will offer to pay the entire cost of advertising, but more often, the marketer offers partial support known as <u>co-op advertising</u> funds.

#### A. Trade Allowances:

This promotion offers channel partners price breaks for agreeing to stock the product. In most cases the allowance is not only given as encouragement to purchase the product but also as an inducement to promote the product in other ways such as by offering attractive shelf space or store location, highlighting the product in company-produced advertising or website display, or by agreeing to have the retailer's sales personnel "talk-up" the product to customers.

Allowances can be in the form price reductions (a.k.a. off-invoice promotion) and buyback guarantees if the product does not sell in certain period of time.

#### B. Sales Incentives or Push Money:

Since sales promotions are intended to stimulate activity that leads to meeting promotional objectives, it makes sense that these can also apply to those in a channel member's organization who also affect sales. Thus, a marketer may offer sales promotions to their reseller's sales force and customer service staff where they are used as incentives to help sell more of the marketer's product. Sometimes called <u>push money</u>, these promotions typically offer employees cash or prizes, such as trips, for those that meet sales requirements.

#### C. Promotional Products:

Among the most widely used methods of sales promotions is the promotional product; products labeled with the brand or company name that serve as reminders of the actual product. For instance, companies often hand out free calendars, coffee cups and pens that contain the product logo.

#### **D. Trade Shows:**

One final type of trade promotion is the industry trade show (a.k.a. exhibitions, conventions). Trade shows are organized events that bring both industry buyers and sellers together in one central location. Spending on trade shows is one of the highest of all sales promotions. In fact, the Promotion Marketing Association estimates that

over (US) \$20 billion is spent annually by marketers to participate in trade shows. Marketers are attracted to trade shows since these offer the opportunity to reach a large number of potential buyers in one convenient setting. At these events most sellers attempt to capture the attention of buyers by setting up a display area to present their product offerings and meet with potential customers. These displays can range from a single table covering a small area to erecting specially built display booths that dominate the trade show floor.

#### 3.5SALES FORCE PROMOTION

Sales promotion directed towards the sales people is referred to as sales force promotions. These schemes are intended to motivate sales people to put in more efforts to increase sales, increase distribution, promote new or seasonal products, sell more deals to resellers, book more orders develop prospects lists and build up morale and enthusiasm.

Some of these activities are meant to prepare the sales people to do their jobs well and include sales meetings and manuals, training programmes, sales presentations, film and slide shows etc. Prize distribution to winners is the more tangible aspect of any such programme.

Objectives of sales force promotion schemes are:

- Increase sales volume
- Introduce a new product
- Reducing selling costs
- Offset competitive promotions
- Improve working habits
- Develop new prospect lists etc.

# Tools used in sales force promotions:

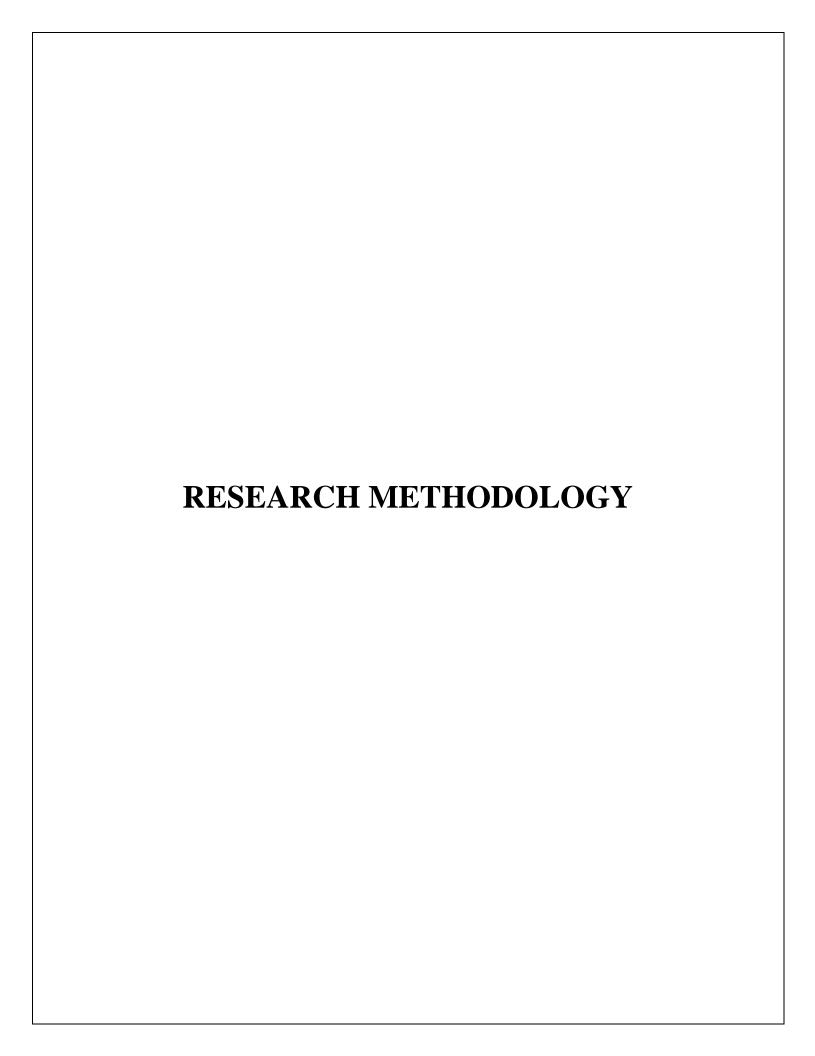
#### **Sales meetings:**

Sales meetings are generally organized for sales people form one area, region or district more frequently, usually once a month, once in two months, or quarterly. These meetings bring

together sales people from different territories of the nation and are considered a popular way of educating sales people. There is a varying mixture of business and pleasure.

#### A. Sales Manuals:

Training materials such as manuals, visual aids, flip charts, programmes, learning books are most useful to sales people. The sales manuals usually contain product details, applications, manufacturing processes, prices, sales techniques etc. Some companies also have house journals that reports about the company programmers, new products, research activities, new polices, awards, promotions, etc. Other tools include Training, Sales contests, Incentives, Awards and prizes and also Premiums (gifts).



#### RESEARCH METHODOLOGY

#### **METHOD OF DATA COLLECTION**

Data collection is an elaborate process in which the researches makes a planned research for all relevant data. Data is the foundation of all market research. Data are facts may be obtained from several sources. Data can be classified as:

- PRIMARY DATA
- SECONDARY DATA
- **Primary Data:** Primary research is data which is obtained first-hand. This means that the researcher conducts the research. Primary research means going directly to the source rather than relying on pre-existing data samples.
- **Secondary Data:** Secondary research is also known as desk research. This type of research relies on pre-existing data sources such as company websites, articles and market research reports. It is generally carried out at a desk, either offline (via books, research documents, etc) or online (via websites, pdf reports, etc).

SAMPLE UNI	Γ		
		of Cadbury India. samples were selected fro	m
	Navi Mumbai, Mahara		
SAMPLE SIZE	- 100		
	Cluster size	Sample size	
CLUSTERS			

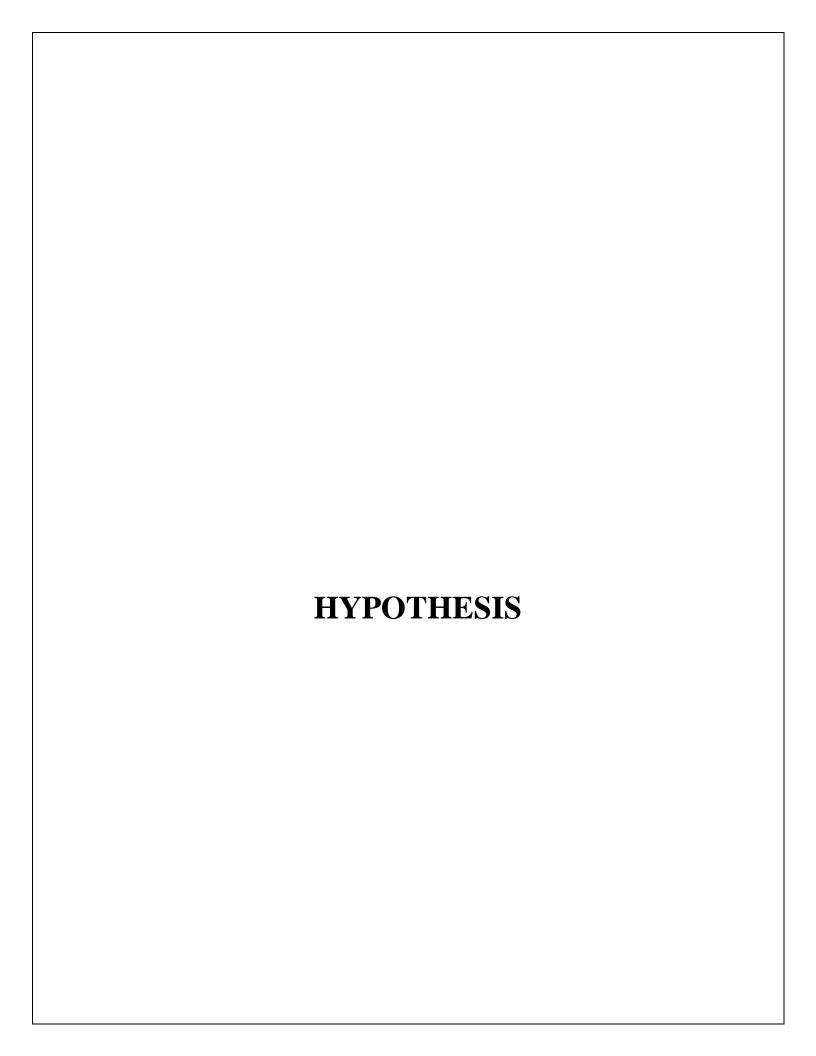
BMS	250	25
BCOM	250	25
9th std	250	25
10th std	250	25
TOTAL	1000	100

#### SAMPLE DESIGN

#### Population:

Area of sampling	population	Sample size
Ycc college	500	50
North point school	500	50
Total	1000	100

The total population is 1000. Sample Size is 10% of total population i.e. 100. I have used Cluster Sampling method, taking equal sample size from different clusters of population.



#### **HYPOTHESIS**

# Hypothesis 1:-

H0: There is no significant difference between the ranking of different chocolate brands by consumers.

<u>H1:</u> There is a significant difference between the ranking of different chocolate brands by consumers.

# Hypothesis 2:-

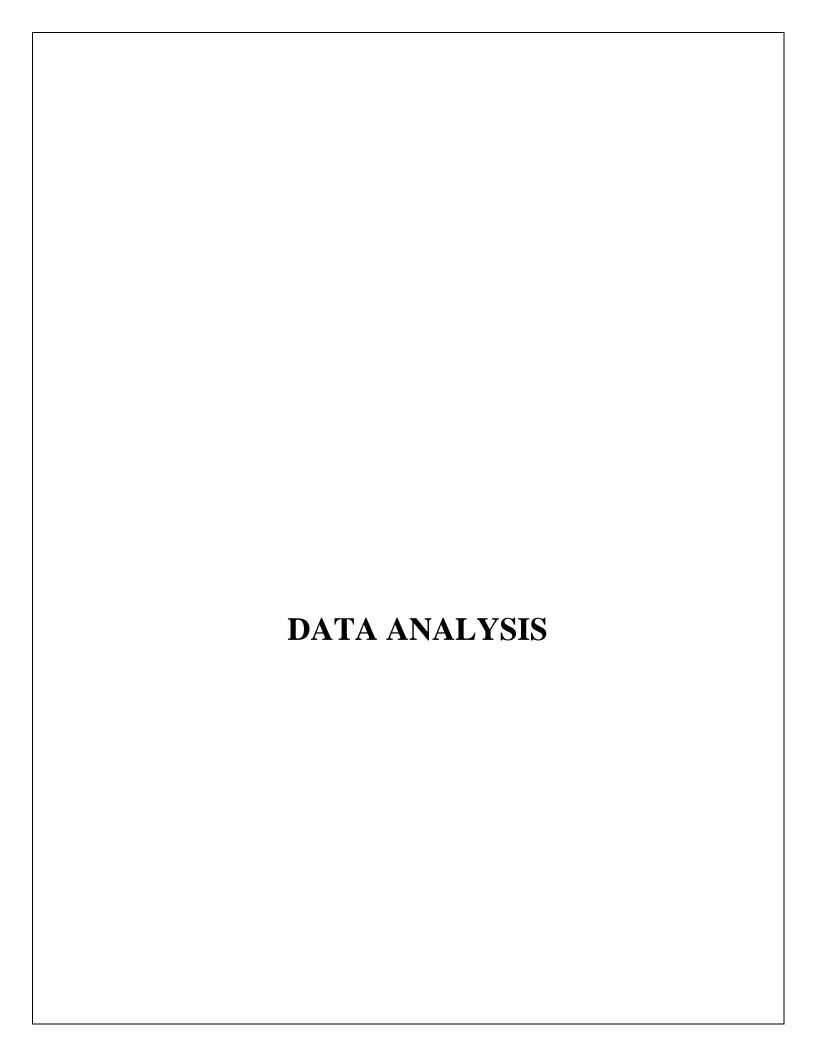
H0: There is no significant relationship between the impact of media and purchase decision.

H1:- There is a significant relationship between the impact of media and purchase decision.

# Hypothesis 3:-

H0: There is no significant relationship between quality of chocolates and purchase decision.

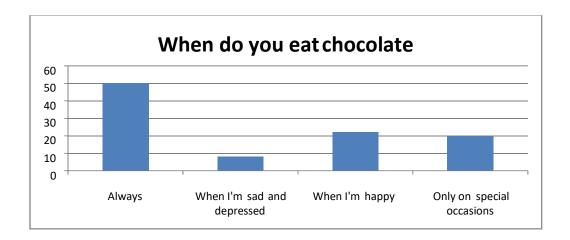
H1: There is a significant relationship between quality of chocolates and purchase decision.



## **DATA ANALYSIS**

## 1. When do you eat chocolate?

Sr. no	Options	Percentage
1	Always	50
2	When I'm sad and depressed	8
3	When I'm happy	22
4	Only on special occasions	20

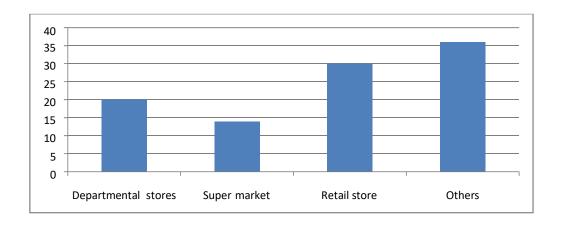


According to the above analysis it is concluded that -

- 1. 50% of the respondents eat chocolates always.
- 2. 22% of the respondents eat chocolates when they are happy.
- 3. 20% of the respondents eat chocolates only on special occasions.
- 4. 8% of the respondents eat chocolates when they are sad and depressed

## 2. Where do you normally buy chocolate from?

Sr.no	Sources	Percentage
1	Departmental stores	20
2	Super market	14
3	Retail store	30
4	Others	36

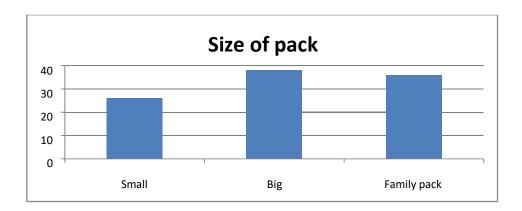


According to the above analysis it is concluded that 1.36% of the respondents buy chocolate from other sources

- 2.30% of the respondents buy chocolate from retail store.
- 3.20% of the respondents buy chocolates from departmental stores
- 4. 14% of the respondents eat buy chocolates from super market

# 3. Which pack do you purchase?

Sr.no	Option	Percentage
1	Small	26
2	Big	38
3	Family pack	36

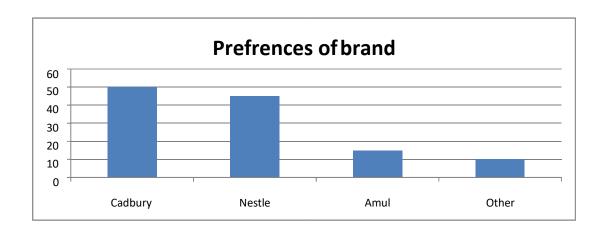


According to the above analysis it is concluded

- 1. 26% of the respondents buy small size of pack.
- 2. 38% of the respondents buy big size of pack.
- 3.36% of the respondents buy family pack.

# 3. Which brand do you prefer?

Sr.no	Options	Percentage
1	Cadbury	45
2	Nestle	30
3	Amul	15
4	Other	10

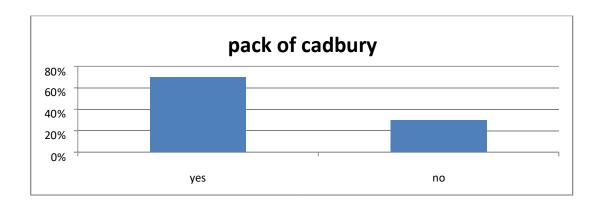


According to the above analysis it is concluded that

- 1. 45% of the respondents prefer Cadbury brand.
- 2. 30% of the respondents prefer nestle brand.
- **3.** 15% of the respondents prefer amul brand.
- **4.** 10% of the respondents prefer other brand.

# 5. Do you like the pack of Cadbury which are prepared for occasions especially?

Options	Percentage
Yes	70%
No	30%

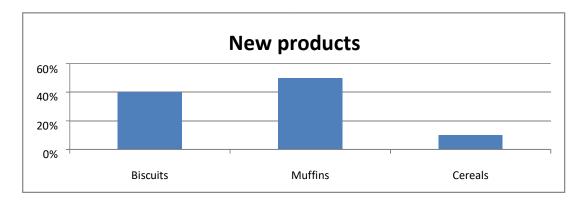


According to the above analysis it is concluded that

- 1. 70% of the respondents like the pack of Cadbury
- 2. 30% of the respondents not like the pack of Cadbury

6. What new product according to you Cadbury should launch?

Sr.no	New products	Percentage
1	Biscuits	40%
2	Muffins	50%
3	Cereals	10%

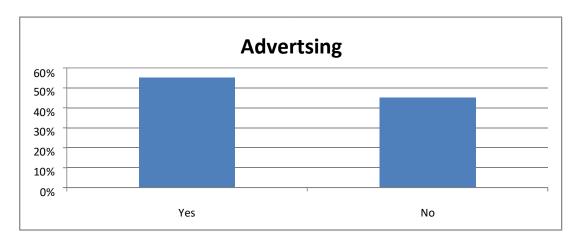


According to the above analysis it is concluded that

- 1.Biscuits 40%.
- 2.Muffins 50%.
- 3. Cereals 10%.

#### 7.Do you think the information provided in the advertisement is adequate?

Options	Percentage
Yes	55%
No	45%



According to the above analysis it is concluded that, Advertising works 55% for marketing product.

#### **HYPOTHESIS TESTING**

Hypothesis is usually considered as the principal instrument in research. Its main function is to suggest new experiments and observations. In fact, many experiments are carried out with the deliberate objects of testing hypothesis .

# Hypothesis 1:-

H0: There is no significant difference between the ranking of different chocolate brands by consumers.

<u>H1:</u> There is a significant difference between the ranking of different chocolate brands by consumers.

#### Hypothesis 2:-

H0: There is no significant relationship between the impact of media and purchase decision.

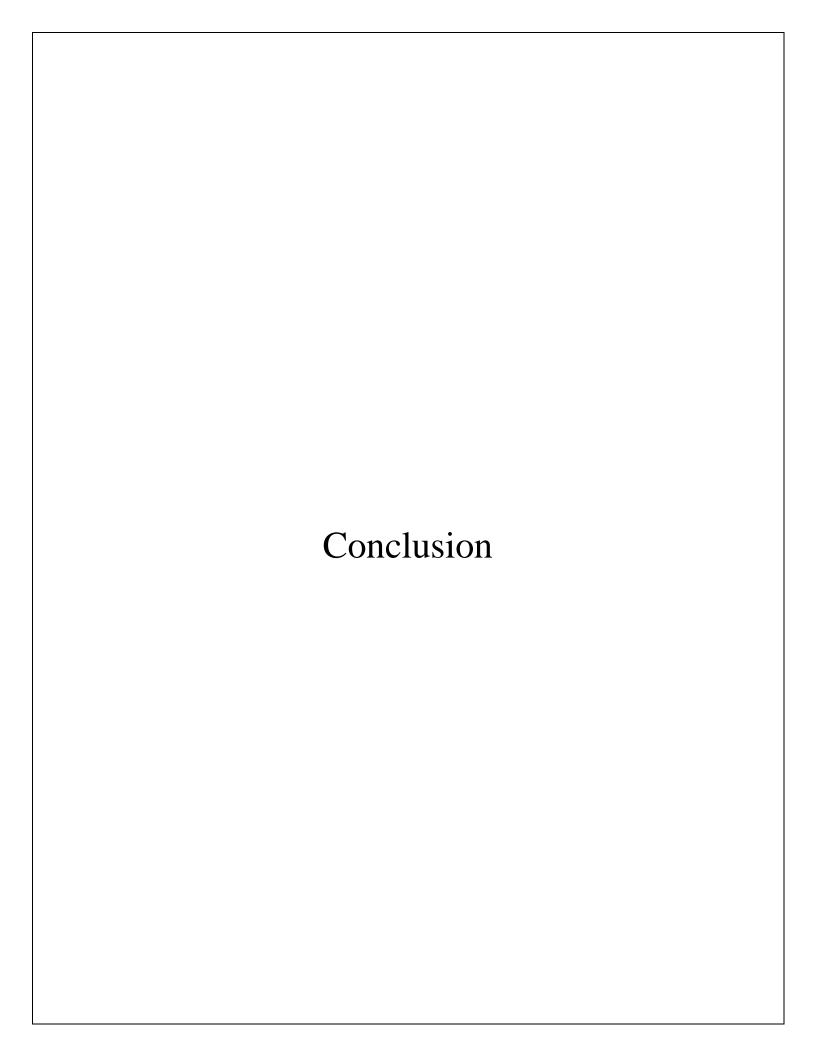
H1:- There is a significant relationship between the impact of media and purchase decision.

### Hypothesis 3:-

H0: There is no significant relationship between quality of chocolates and purchase decision.

H1: There is a significant relationship between quality of chocolates and purchase decision.

From this study the researcher concludes the all chocolates should take necessary promotional activities to increase their demand by introducing new flavor inn small quantities of pack. Again variety of advertisement through television media will increase the marketability of dairy milk chocolates The researcher concluded that, the consumer level of satisfaction brand of "CADBURY DAIRY MILK CHOCOLATE" are good. Hence we accept alternate hypothesis and reject null hypothesis.



#### Conclusion

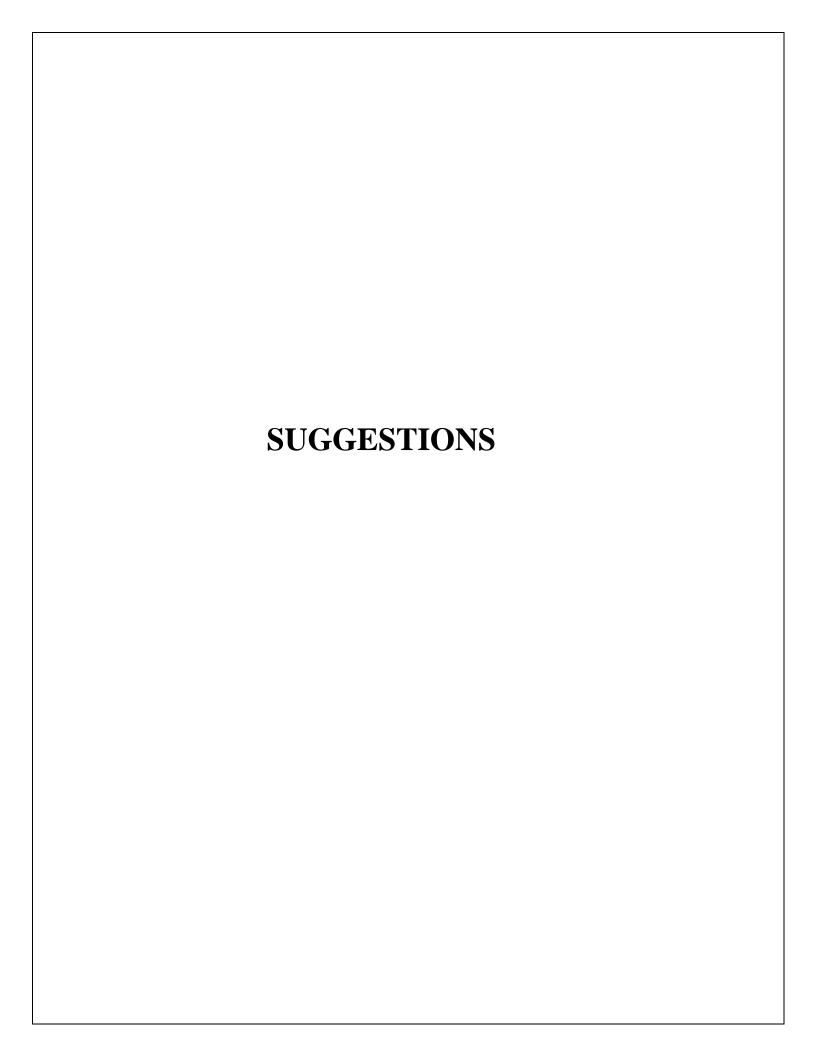
In today's time the companies see promotion as being helpful in sustaining them in this tough period. In facts, 30 percent of TV advertising is accounted for by the consumer promotion advertisements. Hence, the verdict is clear, the Indian customer wants more tangible benefits for his money rather than just hot air. So in order to gain competitive advantages over their rivals, companies are better advised to develop suitable promotions for their customers rather than just relying on advertising. The promotion must be focused properly with the other elements of marketing mix & with proper implementation it would become yet another weapon in the Brand Mangers armory for brand building.

Cadbury India limited started 'Bournvita Quiz Contest' to explore the interesting aspects of

'Confidence' in the young children, Cadbury PerkZapakGameplex Premiere League, Cadbury 5 Star along with Zapakcomhas announced the launch of '5 Star Indian Online League' to provide opportunities to young children to compete against the best in the country.

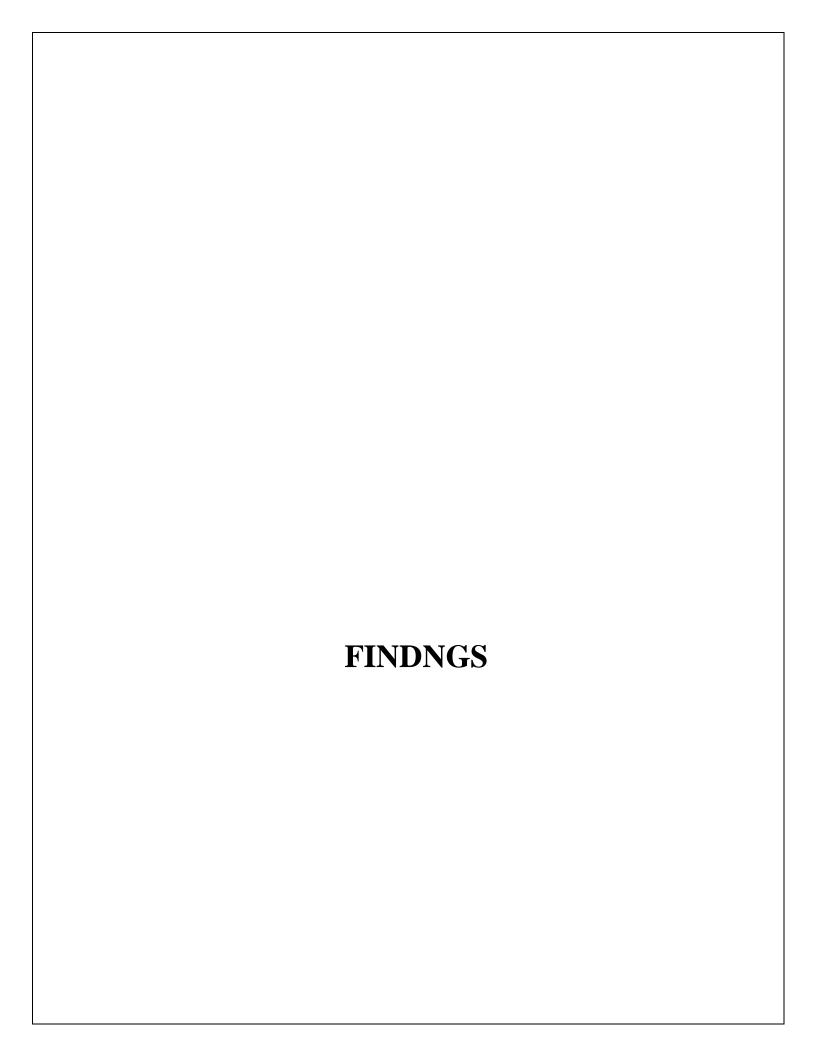
Cadbury's association with the "Confidence Academy" aims to recognize and reward champions who through their achievements embody the Bournvita brand values. Cadbury Bournvita brings together Young Champs from all over the country for an exciting All India Junior Badminton Tournament being held in Chennai and help children to show their talent.

From the Company's point of view this is not a quick fix solution. Promotions alone cannot be used for Brand building for any reasonable length of time. The companies should lay down the objectives, which it wants to achieve from the promotion. Once the objectives are in place they can design the promotion strategy.



# **Suggestions**

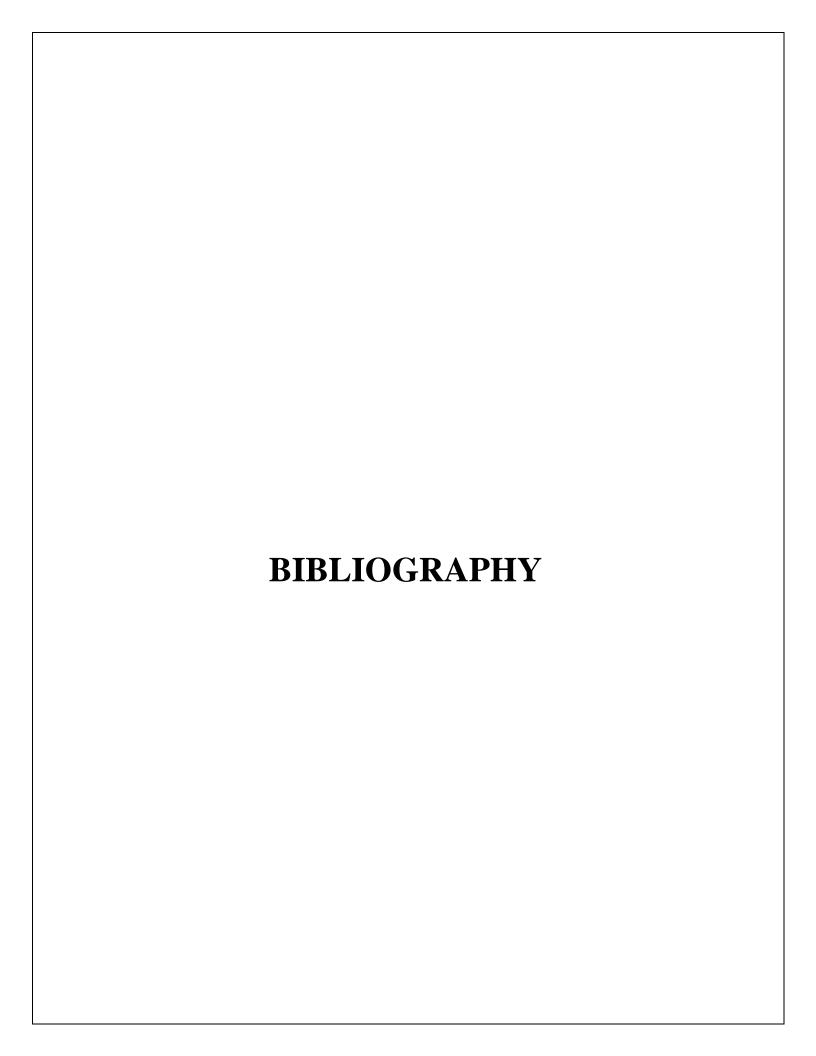
- **Expand product range**: Cadbury can consider expanding its product line by introducing new flavors or variations of their existing products, or by launching entirely new products to cater to a wider demographic
- Focus on sustainability: Consumers today are more aware and concerned about sustainability. Cadbury can consider implementing sustainable practices in its manufacturing and packaging to minimize its environmental impact.
- Leverage digital marketing: In today's world, digital channels are more effective in reaching and engaging customers. Cadbury can use social media and other digital platforms to create interactive marketing campaigns and attract a larger audience.
- Collaborate with local businesses: Cadbury can collaborate with local businesses to create limited edition products or custom packages to attract customers and promote loyalty.
- **Invest in innovation:** Cadbury can consider investing in research and development to introduce new technology, processes or ingredients to create unique and innovative products.
- **International expansion:** Cadbury can explore new markets by entering into strategic partnerships or joint ventures with international companies or by setting up its own operations in new countries.
- **Diversify distribution channels:** To increase its distribution reach, Cadbury can consider diversifying its distribution channels by partnering with online retailers and strengthening its e-commerce capabilities.



# **Findings**

- Cadbury is one of the largest chocolate companies in the world, with a market presence in over 60 countries.
- The company has a diversified product portfolio, including chocolates, candies, gums, and beverages.
- Cadbury's revenue has been growing consistently over the past few years, with a revenue of £14.3 billion in 2020.
- The company has been implementing strategies to reduce its environmental impact, such as reducing greenhouse gas emissions and minimizing waste.
- Cadbury has been focusing on expanding its digital presence to target its consumers through e-commerce channels.
- In recent years, Cadbury has faced criticism for using palm oil in its products, which has been linked to the destruction of rainforests.
- Cadbury has been involved in various philanthropic initiatives, such as the Cocoa Life program, which aims to promote sustainable cocoa farming practices and improve the livelihoods of cocoa farmers.





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## **BIBLIOGRAPHY**

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Cadbury Expanding the market: -<u>http://mediapanther.co.in/marketing/cadbury-expanding-the-market/</u>

 $Advertisement\ Strategy\ of\ Cadbury:\ -\underline{http://ad-mad-club.blogspot.in/2009/08/cadburys-advertising-startegy.html}$ 

# **6.4 QUESTIONNAIRE**

1.	Do you eat chocolates?
	1. Yes 2. No
2.	Which brand of chocolates do you use?
	1. Cadbury's
	2. Nestle
	3. Amul
	4. Others
3.	Do you think price of Cadbury products are fair in market?
	1. Yes 2. No
4.	From where you buy the product of Cadbury?
	1. Super stores
	2. Retail stores
	3. Restaurants
	4. Others

5.	Are you aware of any campaign of the above brand?
	1.Yes 2. No
6.	what factors effects you in a chocolate advertisement ?
	<ol> <li>brand ambassador 2. comedy</li> </ol>
	3. music 4. jingles
7.	By which media you prefer to watch advertisements?
	1 talavisian 2 haardinas
	<ul><li>1.television 2. hoardings</li><li>3. newspapers 4. magazines</li></ul>
8.	Are you satisfied with the quality & taste of the Cadbury products?
	1.Yes 2. No

9.	Which Cadbury's product do you usually prefer or use?
	1.Dairy milk 2. 5 star
	3. Fruit &nut 4. Perk
	5. Bournvita
10.	. Do you think Cadbury products are easily available in market?
	1. Yes 2. No
11.	. How do you rate Cadbury's product?
	1. Good
	2. Satisfactory
	3. Average