

Growth And Development In Marketing Towards Dairy Products

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Abstract: *This Paper Analyzes the Growth and Development of the dairy products manufacturing establishments in the whole India. India is the largest producer of milk and dairy products in the world. Top Ten Global Countries and forecasts offers the most- up- to date industry data on the actual market situation and future outlook for dairy products in the world. Growth and Development of the dairy sector in the nation can be measured through the increased milk production, availability of different sources for it, enhanced per capita consumption of milk, and use of the product in various type of milk- made production. The main objectives of this paper to improvement of market section in P's and make new things through innovates ideas.*

Keywords: *Innovation, Growth and Development, Market, Dairy Products, Country.*

I. INTRODUCTION

India ranks first among the world's milk production, accounting for 18.5% of world production. according to economic survey 2015-16. Milk production in India during 164 million tonnes during 2016-17 as compared to 155.5 million tonnes during 2015-16 recording a growth of 6.26 % FAO reported 3.1% increase in world milk. Annual growth rate of Milk Production during the period 2011-14 was 4%, which has increased to 6% during 2014-17. The annual growth rate of world milk production has increased by 2% during 2014-17. Production from 765 million tonnes in 2013 to 789 million tonnes in 2014. The per capita availability of milk in the country which was 307 gram during 2013-2014 has increased to 351 gram per day in 2016-17. This represents sustained growth in the availability of milk and milk products for our growing population. Dairying has become an important secondary source of income for millions of rural families and has assumed the most important role in providing employment and income generating opportunities particularly for marginal and women farmers. Most of the milk is produced by animals reared by small, marginal farmers and landless labors. About 15.46 million farmers have been brought under the ambit of 165835 village level dairy corporative societies up to March 2015.

The growth of Indian dairy section has been spectacular during the past three decades. The Indian dairy industry is not only a vital producer of an essential food item but it also is one of the largest employers in the country in both the rural sector as well as the semi urban and urban region. It gives an opportunity to about eight crores families across India.

Despite milk being a very important part of the Indian diet, India was a milk deficit country post-independence. This situation pushed the government to launch "Operation Flood", which so far has been one the most successful government-led programs on inclusive growth and livelihood generation. Operation Flood was implemented in three phases and with three main objectives – increase in milk production, augmentation of rural incomes and fair prices for consumers.

Today, India is not only self-sufficient in milk production but also a marginal exporter. Operation Flood established systems to aggregate scattered village milk production to demand centers across the country. The programme successfully established India as the largest milk producing country. Growth in milk production has outpaced the growth in other large milk producing countries such as the US and China. At present, the livestock sector contributes to 4 per cent of India's GDP and the dairy sector comprises a king's share of it. Milk procurement is an important source of secondary income for over 80-90 million milk producers, signifying its role to alleviate rural income and employment.

Currently, the organized sector processing (packaged milk and dairy products) accounts for about 25-28 million tonnes, which is 18-20 per cent of the total production. Over the last few years, demand for processed milk and milk derivatives has been rising, driven by changing income and consumption patterns. Demand for milk is growing at a faster rate and is estimated to be 180 million tonnes by 2021-22. The average yearly incremental increase in production is estimated at 6-7 million tonnes in the next few years, against 3-4 million tonnes earlier.

Considering the requirements, the National Dairy Development Board launched the National Dairy Plan (NDP) in 2012 to focus on means to grow production and provide producers with greater access to the organized milk processing sector.

Processing the milk through the organized channel will facilitate standardization of product quality and strengthening the direct supply channel will eliminate the intermediaries, both of which will ensure better compensation to small and medium milk producers.

II. CHALLENGES & ISSUES IN DAIRY MARKETING IN GLOBAL CONTEXT

Global marketing refers to the marketing activities that direct the flow of goods and services to the customers or users in more than one nation. Globalization is no longer an abstraction but a stark reality that virtually all firms, large and a small, face. Firms that want to survive in the 21st century must confront this all-encompassing force that pervades every aspect of business. In a wide range of industries from automobiles to food and clothing, firms face the pressures of global competition at home as well as in international markets. Choosing not to participate in global markets is no longer an option. All firms and industries regardless of their size, have to craft strategies in the broader context of world markets to anticipate, respond and adapt to the changing configuration of these markets. Firms initially entering international markets will be more concerned with learning about international markets, selecting an appropriate arena to compete, and determining how to leverage core competencies in international markets. Once in international markets, firms have to build their position in these markets, establishing a strong local presence by developing new products and adapting to local tastes and preferences. As the firm expands internationally, it will need to move away from country-centered strategies and improve integration and coordination across national markets, leveraging its competencies and skills to develop a leadership position. In different markets, customer requirements may vary and the temptation to customize for each market has to be tempered by the need to keep costs down through standardization. A truly global marketing strategy would aim to apply uniformly some elements of the marketing mix across the world, while customizing others.

OBJECTIVES

- ✓ To study the growth and development of dairy products.

- ✓ To study the marketing position of dairy products.
- ✓ Lack of quality, availability, distribution system, in dairy products.

III. RESEARCH METHODOLOGY

The research methodologies of this research include a theoretical analysis & study on growth and development of dairy products. The paper is completely a conceptual one whose basic foundation comes from various secondary sources like research articles in Journal, published and unpublished scholarly papers, and books, various international and journals, speeches, newspapers and websites.

The market for dairy products in India has grown rapidly over the last few decades and anticipated to be growing at a faster rate when compared to the global dairy products market. The revenues of India's dairy products market is expected to be growing at the CAGR of around 5% during 2012-17. The government is taking several initiatives and introducing yearly plans in order to boost the dairy market. However, the dairy sector is still encountering problems such as non-availability of fodder and low yield of cattle. Over the last few years, India has been exporting large amounts of dairy products but as a result of growing population and rapidly increasing demand, the country is moving towards the brink of a deficit as it consumes nearly all the milk produced. India's demand for milk and milk products is increasing twice as fast as the production of milk. The market is also witnessing a consumer shift towards healthier products such as UHT milk, probiotic drinks and yoghurts, etc.

Singh termed India as the 'Oyster' of the global dairy industry that provides opportunities galore for the entrepreneurs globally. Since last 15 years, India continues to be the largest producer of milk in the world. This phenomenal increase is contributed to the several measures initiated by the Government of India to increase the productivity of livestock.

Singh said that Livestock sector contributes significantly towards livelihoods and security net for the landless and marginal farmers. As per a government press release, about 70 million rural households are engaged in dairying in India with 80% of total cow population. The strength of women in Dairy has reached to the 70% of the total work force (about 44 lakh) of which 3,60,000 women are in leadership roles in village dairy cooperatives and 380 women on the boards of Union and State Federations.

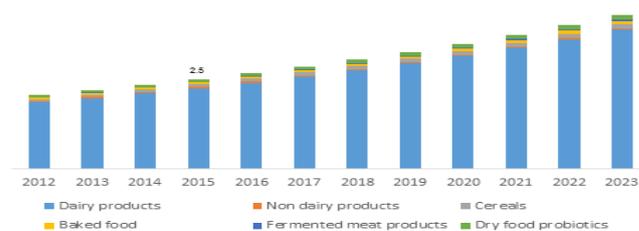


Figure 1

Despite its huge production volume, India nevertheless faces a milk supply gap due to increasing demand from growing middle class population. Estimation suggests that Indian dairy production is growing at a rate of about six

percent per year, yet consumer demand is growing at approximately double that rate. In response to increasingly strong demand for milk products, the Indian dairy industry is growing its milk production in several ways. For example, dairy farmers have responded to increasing dairy prices by increasing herd sizes. In addition, those farmers working directly with buyers from the organized sector generally have access to modern extension services, which provide support for the dairy farmers to improve management, feeding, fertility and veterinary care. Many of these extension services provides offer artificial insemination services that aim to further improving milk yields with new dairy cattle genetics. Artificial insemination services are expected to grow in the future, as the government of India continues to develop protocols for imported genetics products.

The consumption of milk is rising, commensurate with an increase in the purchasing power of people, increasing urbanization, changing food habits and lifestyles and demographic growth. Milk with its varied benefits is the only source of animal protein for the largely vegetarian population of the country. Factors such as increased consumer interest in high protein diets and increasing awareness & availability of value-added dairy products through organized retail chains are also driving its demand. During last 15 years, Milk Cooperatives have converted about 20% of milk procured into traditional and value-added products that offers about 20% higher revenue. This share of value-added products is estimated to increase to 30% by 2021-22.

The Minister said that a National Action Plan Vision-2022 is being prepared to fill the gaps in the infrastructure required to handle the increased coverage and milk production not only to meet the demand of milk and milk products but also to fulfill the objective of doubling the farmers' income.

IV. CONCLUSION

- ✓ Dairy sector is a very important sector in our country. Our study provides empirical evidence suggesting that the patterns of growth of the number of small-size and

medium-large-size dairy product manufacturing establishments are different. The number of small-size dairy product manufacturing establishments tends to grow in the areas where the level of per capita income and population are high. Dairy-industry development aimed at smallholders enhances development opportunities for women and young rural people. Empowerment of women has a significant effect on household nutrition outcomes, particularly children's health, well-being and development.

- ✓ Informal marketing systems account for over 80 percent of milk marketed in many developing countries and generate more jobs per unit volume than formal processing and marketing of milk and dairy products. These systems will remain important in value chains producing and delivering milk and dairy products to low-income rural and urban communities for the foreseeable future.
- ✓ Successful dairy-industry development projects and programmers give high priority to education and training and long-term investment in national capacity building for sustainability.

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