
What It Need to Be a Leader in the Case of XYZ Company?

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Abstract

Leader is someone who makes other to follow him. He is the one who initiate and co-ordinate the team. The purpose of this case study is to know what are the strategies followed by company XYZ to be a leader in dairy sector in India. XYZ is a leading dairy company in India which deals in the milk products and holding good market share in this sector. Findings of this study are strategies, plans and growth rate of XYZ by adapting in changing environment. This case study is useful for the researchers, to study the market situations of same sector and the strategies followed by the company.

Keywords-Leader, Product diversification, Brand image, Environment, Development, Corporative.

Introduction

XYZ company is India's largest company dealing in milk and milk products. No competitor of this company in context to milk and milk products is found in the country. This company started or took initiated when milk became protest symbol. This initiative was taken by the people of the company to protect and to stop exploitation done by middlemen to general public. XYZ Company aims to provide fare returns to the farmers. One foremost motive or model of XYZ Company is to protect the interest of consumers by providing the quality goods that justify the value of money paid by consumers. Talking about the area covered by the XYZ Company, having 56 sales offices, 10 lakh retailers and 10000 dealers are in network which makes this company one of the largest brand in the India as well as in world also. Model of XYZ also serves in the other parts of the world along with largest exporter to the world for Dairy products.

Products in which XYZ deals: As mentioned above company deals with milk and milk products. Range of products and variety of products in which company is dealing are: XYZ Bread Spreads, XYZ Cheese, XYZ Ice cream, XYZ Paneer, XYZ Dahi, XYZ Ghee, XYZ UTH Milk, XYZ Mithai Range, XYZ Chocolates, XYZ Fresh cream, XYZ Pouch Butter Milk, XYZ Butter.

Locality of Head Office and Plants

Head office of XYZ is in GUJRAT. Gujarat is the place from where XYZ originated and now is on the top rank in one of the Indian companies. Plants of the company belong to major metropolitan cities like Delhi, Punjab, Varanasi, Rohtak, Lakhnow and so many other cities. This company is serving in international countries as well like USA.

Different things conveyed by XYZ to different people

XYZ is fully successful in keeping their promises and fulfilling their responsibilities. The promises made by XYZ to society and the responsibilities taken care by XYZ are as follows.

- Enriching experience for life>>>>>>>>> To milk producer
- Wholesome milk assurance>>>>>>>>> To customers
- Reliable source for nourishment>>>>>>>>To mother
- Self-reliance and rural development>>>>>>>>>To country

History

70 years ago, in the Kaira village the mostly farmers income derived from seasonal crops, but during the time of off-season they suffered many financial problem and faced starvation. They start generating their income by mulch buffaloes. At that point the milk market was controlled by the middlemen. There was no option in the front of the farmers to sell their milk and milk product to these middlemen at whatever price they offered.

The middlemen and contractor misuse their power and as the majority of population of the village were illiterate. These middlemen and contactor earn huge profits from the selling of milk and milk products at the higher prices as compare to price they offered to the villagers for their produce which was very low. In the year 1945 the Bombay Milk Scheme was started by the government, where the milk was transferred from Anand to Bombay and to procure the milk to transported 427 kilometers the pasteurization was done in Anand.

On the regular basis to supply the milk from Anand to Bombay the agreement was done with EFG Limited by the Bombay Government. But the farmers were not satisfied with this agreement as the EFG earned the good margin and the Government also generate huge profits and the farmers seek the mercy of the contractors.

The farmer takes their issue to R.J Gada. In 1942 R.J Gada advocated Farmers' cooperatives. R. J. Gada advised the farmers that they should form their own cooperative society and set their own plants to procure the milk and for its pasteurization. The farmers were advice by R.J Gada to go on strike and stop supply of their milk to middlemen, if their demand rejected to set up the cooperative society. Mr. Kapil Chaurary was trustworthy of R.J Gada send to Kaira village to organize the strike and milk cooperative. On January 4, 1946 the meeting was command in

Samarkha village. It was decided that at every village of the Karia district the milk producers' cooperative should be organized and under union all the society would federated, and the farmers refused to sell milk to middlemen if Government would not buy the milk from union. When the demand reduced by the government the 'milk strike' was on and continued for 15 days. The farmer refused to sold milk merchants and when not even a drop of milk was supplied the government policies failed and after 15 days the demand of the 'farmers' was accepted by the milk commissioner of Bombay.

At December 14, 1946, the 'Cooperative Milk Producers' Union Ltd" within the Kaira District was formally registered. In June 1948, pasteurizing of milk began at union, 432 farmers of the kaira had joined the village cooperative society by the end of 1948. The rapid growth caused to various problem. In winter 2.5 times more, milk yielded from buffaloes resulted to 1953 farmers for extra milk unable to find the regular market and forced to sell milk to middlemen at low rate. The solution to this problem was to process the milk which is extra in quantity. The product like butter and milk powder was manufactured to utilize extra milk. The milk Union get the help by the Government of India to get the financial assistance from the Government of New Zealand and help from ECFNIU under Colombo plan. A factory of Rs50 lakhs to process butter and milk powder was blueprinted. Technical aid was provided by the F.A.O. and EX President Late Dr. Rajendra Prasad set the stone for foundation on November 15, 1954 and on October 31, 1955, the project was completed, and it absolutely was declared open by then Prime Minister Late Pandit Jawaharlal Nehru. The union became more capable to organize more village cooperative society and use more milk for further manufacturing of products. 'XYZ' was introduced as a brand name to sell its product and by talking diversification it became more successful.

Purpose

The purpose to study this case is to understand the strategies that the company followed and by following all these strategies the XYZ Company became the most successful dairy company in India. They always make changes to their strategies to match the market demand and the requirements of their customers. As the XYZ Company is the successful dairy company in India, the strategies and the plan they will follow to become leader in dairy sector are studied in this case study.

Company Profile

XYZ Company formed in the year 1946 as result of exploitation of marginal milk producers by the traders and the existing diary holders. Marginal milk producers were not paid any fixed price as the prices were arbitrary determined. Government had additionally given rights to Jackson diary to gather milk from Kaira and provide it to city town.

Angered to the unfair trade practices by the Jackson diary all of them visited Sardar Jainti Patel below the leadership of native farmer leader Govardhandas Patel. He suggested them on to provide the milk to city milk theme rather than

provision it Jackson's diary (Patel *et al.*, 1977). Revolutionized dairy farm cooperative movement in Republic of India. A complete by GCMMF. It spurred the white revolution, that created Republic of India largest producer of milk and milk product. XYZ COMPANY has additionally entered in overseas markets like Mauritius, UAE, USA, Bangladesh, Australia, China, Singapore, metropolis & few South African countries (Kurien, 1998). Fresh plans for flooding in the markets of Japan & Sri Lanka. Dr. Rajesh Khanna of GMCCF is man behind the success of XYZ COMPANY.

An assured market provided a larger profit to the milk producers. By the top of 1948,432 farmers joined the cluster, growth and therefore the amount of milk handled enhanced to 5000 liters every day. In early stages, rise bought in its wake serious issues. It leads ensuing step towards future growth. Therefore by 1953, the farmers haven't any regular marketplace for further milk created in winter. They were once more force to sell their surplus milk to middleman at the lower rates.

The only next step is to setup a plant to method the additional milk into merchandise like butter and milk. the govt. of India conjointly facilitated the union to urge monetary help from United Nations International Children's Emergency Fund and help from the govt. of recent island below the national capital set up. Technical aid was provided by fifty hundred thousand factories to method milk and butter was blueprinted. The new diary provided an extra cooperative movement to the milk producers. The cluster was therefore enabled to arrange additional village co-operative societies for handling additional and additional milk every year. XYZ COMPANY'S product vary includes milk powders, milk, butter, ghee, cheese, yoghurt, buttermilk, chocolate, ice cream, cream, biscuit, paneer, flavored milk et al.

The XYZ Company Models???? XYZ Company has helped India to emerge as a largest milk producer of the globe. quite fifteen million milk producers pour their milk within the 1,44,500 co-operative societies across the country. In 184 district co-operative Unions the milk is processed and 22 state selling federation helps to marketed. The XYZ Company Model is development of three-tiered structure with the co-operative at village level federate a Milk Union at District level and a federation of members at state level institution of direct links between milk producers and shoppers by eliminating middleman. All function to be performed by Milk Producers for procurement, processing and marketing (Folke, 2001; Ram Kishen, 2003).

Why XYZ is a Leader

Innovation: XYZ is company which always focuses on the innovation and tries getting something new and better into the market. Since from the beginning they always come up with lots of innovations, new product line with different range, the skimmed milk powder from buffalo milk was first made by XYZ in the world. XYZ always try to change according to the tradition of society and serve better to society.

Supply Chain: The one of the major reason that XYZ leads is their “three-tier cooperative structure” where the milk is collected at the dairy cooperative society at village level, procured and processed by the milk unions at district level, further supplied and marketed to the milk federation at state level and by this supply chain its gain huge market as compared to others.

Product Diversification: By talking the entire target segment in consideration the XYZ focus on the product differentiation, from kids to adults, from men to women and different products are available according to the different need of the consumers.

Brand Image: XYZ has built up a strong brand. They give more priority to their brand name as compared to their products, they wind up all their product under one brand name and focus on the visibility of their brand and by gaining strong brand image they get beneficial reduction in the cost of advertisement

Plans of XYZ Company

XYZ company is planning to target Northeast of India more powerfully as they are opening two plants in UP which will be used for processing units and these two processing units help company to earn Rs23,000 crores as a revenue annually and help country to increase the labor and earn more profit as a tax. Today company is able to collect 14.85 million liters of milk from villages and able to collect 3.37 million liters of milk from 31 districts. As XYZ company don't have any cow to take out milk from it but company just buy milk from people of villages and give them money according to market price.

Plans of XYZ Company in International Market

In Singapore: As company is dealing with international market, in Singapore XYZ company is having very good strategy to compete with other big competitors, as they are following strategy of displaying their products on the counter of big Indian grocery company, so customer attract with it and buy it.

In United States of America: As over 4 million Indians are staying in America it is one of the main opportunities of XYZ Company to take incentive of such population of Indians to stand in USA market. Main strategy of XYZ Company is to tackle all Indian groceries stores where majority of Indians come to shop for their groceries.

In New Zealand: New Zealand is one of the main country where cricket is played as a main sport, as XYZ company have a strategy to invest in the cricket team so that company is been advertised and recognized by a whole world were the team is going to play with. As XYZ Company advertise in the New Zealand cricket team's jersey for champion trophy 2017.

In Russia: As Russia is one of the biggest countries of the world, XYZ Company is started exporting dairy products to Russia. To export in Russia, XYZ Company is tie-up with a company named Galactika Group where they are exporting cheese, dried milk and other dairy products. XYZ company tie-up with Galactika Group because this company contributes 3% of the country's milk market.

Strategies Followed by XYZ Company

- **WORK AS LIKED BY CUSTOMERS:** Xyz believes to work as the customers like. Customers are the backbone for the success of any organization. Xyz has captured the all groups of the society whether children, youngsters or old people. This organization has acted as familiar brand because they have won the trust of the people in the market by providing them best value quality. This brand is also emotionally touched with families. "The product more than the value of money." That's why XYZ brand is now leading brand in India as well as liked in International market.
- **ADJUST ACCORDING TO CHANGING ENVIRONMENT:** "Change is the rule of environment." Strategy is followed up by XYZ. This has been the first ever brand to introduce powder milk in the whole world and the maker of vegetarian cheese. As the time passed, XYZ has brought up the style of working along with the product diversification and technology up gradation. As per the changing time, XYZ is bringing up the organization as per the needs or requirements of changing environment.
- **ACCEPT CHANGES AND PERFORM BEST TO MEET TOMORROW'S CHALLENGES:** XYZ has accepted changes and they believe that to meet future challenges one should perform best in present time. Being an Indian company, it has captured the huge market as compared to its rival MNC's and local companies in the same area of interest.
- **UMBRELLA BRAND:** Umbrella branding strategy is being followed by the network. XYZ is common brand for the categorized products like milk powder, butter, ghee, sweets, chocolates, ice creams and condensed milk. Insisting on umbrella brand strategy it has avoided the conflicts of union and provide opportunity for developing products
- **THE PATH OF INNOVATION:** Being innovative it is the first brand in the world which meets the milk powder and the vegetarian cheese. They always bring the innovation in the product according to the requirements of the customers likewise baby food product for the baby group. Also, they take the older age group people into consideration by making the products which will be beneficial to their health.

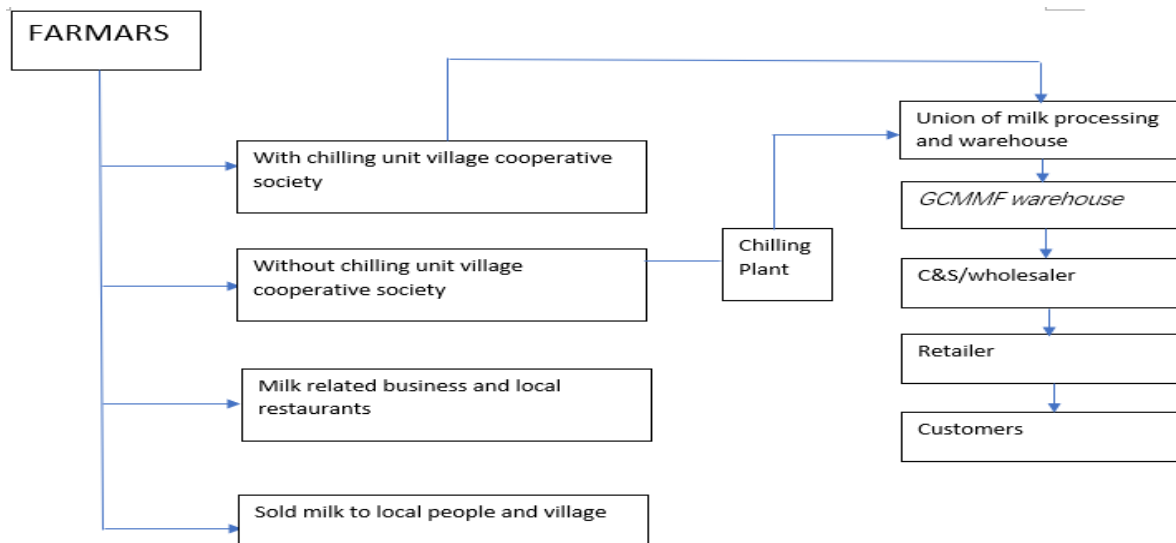


Figure 1: Milk Supply Chain

Conclusion

In this case study XYZ Company market strategies are studied and also come to know that it is the India's fastest growing company, since they have been started with the help of the strategies they formed and the plans they implement by focusing the future help them to lead in the dairy sector of India and considered India's most successful cooperative association in India and leader in the dairy industrial sector.

Note: To maintain the anonymity, name of the organization has been replaced by XYZ Company.

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