

"A man is
great by
deeds, not by
birth"

-Chanakya

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INDIAN INSTITUTE OF MANAGEMENT KOZHIKODE



Case Study

IIMK/CS/125/MM/2021/03

March 2021

Developing Marketing Plan for PALCO

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Abstract

The management of Kerala Milk Producers Cooperative KMPC wanted to understand the impact of competition from private players and thereby decrease in sales of milk packets under PALCO brand particularly in Alleppey district. A market research was envisaged to evaluate the current distribution model of Alleppey Unit for a range of milk and milk products like ghee, curd, butter etc. which are offered in various outlets and retail stores. The higher margins offered by competitors including local players encouraged dealers to sell PALCO with other brands together. The insights from the study would help in developing appropriate strategies to counter this market challenge and to enhance distribution efficiency of Alleppey Unit.

The study revealed that the agents/outlets have great expectation from PALCO to complement their loyalty although no visible active actions are seen from the side of organization. Distributors' dispute is about the pricing policy and stagnation of sales by the impact of local farms. Contactors do not align with the collective goals since they see PALCO as very weak in handling current crisis.

The crew members do not exhibit any courtesy relationship with the outlets and are not reliable to maintain the marketing momentum in this competitive environment. The personal and professional relationship was not differentiated among the stakeholders.

The distribution routes have been operated in the same pattern over years and the external stakeholders are losing respect for PALCO and in particular antagonistic towards marketing staff. It was thus evident that most of the stakeholders namely agents, distributors, contractors and crews were not happy with the current situation. A credible marketing plan needs to be developed by Alleppey Unit to overcome the non-structural approach and rudimentary marketing attitude shown by the marketing staff.

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