
CHAPTER FIVE : CONCLUDING OBSERVATIONS

Findings, 212; conclusion, 225; recommendations, 227.

5.1 Findings :

The preceding two chapters details out, what K.M.F. is ? What are the objectives of its product plant located at Dharwad ? and What is its marketing strategy ? After analysing the controllable and uncontrollable variables of its marketing strategy the following findings are summarised :

1. Regular market to milk producer is assured,
2. Satisfactory purchase price to milk producer is assured,
3. Timely payment to milk producer is assured.
4. Responsibility of transporting milk is shifted from milk producer to K.M.F.
5. Availability of quality milk products to needy consumers at reasonable rates is assured.
6. It is successful in approaching new customers and in establishing new markets.
7. More employment opportunities are created.
8. Concentration of authority at top level management is to maximum extent,
9. Plant capacity is under utilised,
10. Marketing department is culminated with various functions,
11. Marketing Research is not satisfactorily effective,
12. The promotional activities are still ineffective,
13. Brand preference and brand loyalty is not yet created successfully,
14. Market competition is not met effectively,
15. Dealer's warehouses are unscientific

16. The system of transporting its milk products is not reliable.
17. The re-sale price fixing policy is not strictly controlled,
18. The channel members are not customer-conscious, and
19. The goal of social change is still a dream.

1. Regular market to milk producer is assured : Milk is a perishable commodity. Our poor milk producers are not capable of protecting its quality for a long time. Hence, it is to be sold out immediately.

The K.M.F. by establishing a number of primary milk co-operative societies has provided a permanent avenue for the disposal of milk. In the absence of such societies the milk producers were to depend upon such sources as the middlemen, the village hotels etc. But such sources were full of defects like, untimely collection, reduced and irregular payment, incorrect pots for weighing milk, shifting of responsibility upon milk producer for spoilage of milk. All such probabilities impose constraints upon the production of milk. But, the K.M.F. has released the milk producers from all such worries by providing a regular market for milk in the form of milk co-operatives, which collect milk twice a day without putting any limit for maximum quantity to be delivered by any given member.

2. Satisfactory purchase price to milk producer is assured : Earlier to the establishment of K.M.F. and its milk co-operatives,

the milk producers were at the mercy of middlemen. A kind of purchaser's market for milk was in existence. It was the middlemen, who decides the price and other terms. As such, the prices for milk were not only exorbitantly unreasonable but remains unstable.

Thanks for K.M.F. which, besides being an organisation of milk producers, is successfully bringing the village-scattered-milk-producers into co-operative umbrella and providing an increased return on milk. It is estimated that a village milk producer is able to get a 40% increased income on sale of milk to primary milk producer's co-operative society.

3. Timely payment to milk producer is assured : Besides 'irregular market' and 'under payment' for milk, untimely payment was the major obstacle in the economic upliftment of village milk producers before the establishment of K.M.F. and its co-operatives. The middlemen uses to pay as per his own will and wish. Generally, the weekly Bazaar-days are the payment days in villages. The milk producer was unavoidably forced to go after the middleman on Bazaar-day. The middleman uses to make the payment at late evenings. The milk producer was to think of his weekly purchases only after getting the payment. In case, the middleman avoids during any week, then unavoidably the milk producer was to approach the money lender. In this way, the system of payment was utterly disappointing.

Now, the co-operatives are not only regular in making payments but, amount is paid twice a day. The price for milk deposited in the morning is paid in the evening and for evening milk the amount is paid at morning. In this way, without the chances of bad debts, payment is assured regularly.

4. Responsibility of transporting milk is shifted from milk producer to K.M.F. : Earlier to the establishment of K.M.F the middleman used to collect the milk from the houses of milk producer, and the total milk of village was to be moved to a nearby city. He uses his own agents for collection and for onward transport of milk. If milk spoiled during transit for whatsoever reasons it may be, the milk producers cease to get the payment for that days sale. In this way, the poor producers were to suffer for the mistakes of middleman.

Now, the system is totally reversed in favour of milk producer. That is, once the milk is delivered by producer at the premises of primary co-operative society, the responsibility of the milk producer is over. It is the risk of society to take all such measures in the protection of the quality of milk and the milk producer is assured of his payment on that day.

All the above factors are helpful to K.M.F in bringing more number of milk producers in its co-operative umbrella and in increasing the quantity of milk to be produced. Increase in milk procurement, further help in increasing the quantity of milk products to be manufactured.

5. Availability of quality milk products to needy consumers at reasonable rates is assured : More than majority of urban and nearing half of rural population do not maintain milch animals. As a result, for their requirements of milk products they have to look towards those who sell it. But there is an element of adulteration in the quality, and uncertainty in the regularity of supplies from such sources. Moreover, unreasonable prices are charged and during festives, artificial shortage is created to claim exorbitantly higher prices.

One of the objectives of K.M.F's product plant, Dharwad is to provide pure, free from adulteration and quality milk products manufactured under most hygenic conditions. It is successful in the regular and constant supply of its milk products. Moreover its prices are also comparatively reasonable. When quality product is regularly supplied at reasonable rates a positive market image for products is automatically created, which in turn help in creating good reputation to the whole organisation.

6. It is successful in approaching new customers and in establishing new market : Expansion of the market for milk product is one of the goals of K.M.F's product plant, Dharwad. With quality product at reasonable rates, it is easier for management to fulfil this goal. As such, new markets are created not only within Karnataka, but out of Karnataka also. That is, Raichur district market, within Karnataka, is captured by product plant, Dharwad



of K.M.F. As far as, new markets out of Karnataka are concerned, the sizeable markets like Jaipur, Ahmedabad, Allahabad, Delhi etc., are being captured. In those markets the 'Nandini' branded tasteful milk products are preferred and purchased with great pride.

7. More employment opportunities are created : India is a land where the problem of unemployment is to the maximum extent. The agriculture sector in particular, is such that majority of persons fall in the group of either unemployed or underemployed. And North Karnataka is not an exception to this. The K.M.F.'s product plant at Dharwad was launched with the purpose of solving this problem at least to a certain extent.

As such, it is providing direct employment to about 250 people. In addition, the operations of K.M.F. has generated employment opportunities to over a thousand people in the rural areas of North Karnataka. Further, as the ripples of opportunity widen, thousands of households- as many as 75,000 are likely to earn nearly Rs. 10 crores every year for the milk supplied by them. A large number of these households served by K.M.F fall into the category of small and marginal farmers, landless labourers and the other weaker sections of society.

8. Concentration of authority at top level management is to maximum extent : Authority is the right to take decisions. In K.M.F, this right is more or less exercised by top level management.

The members of top level management are officiating from the Registered office, located at Bangalore. But, where as, the plant is located at Dharwad and its area of operation is also North Karnataka, an area far away from Bangalore. The top level management consist of the members of Board, Managing Director, Regional Manager and the General Manager of product plant, Dharwad. So the only member of top level management at Dharwad is the General Manager of the plant. Under such a situation, it is not possible to take timely decisions. The untimely decisions are not at all business decisions as they are bound to affect the business adversely. In case, any unexpected problem is raised, the subordinates have to wait for it to be clarified from the Head Office.

Moreover, when authority is totally concentrated, the subordinates lose individual initiative and enterprising spirit, as there is no opportunity for them to show their talent and calibre.

9. Plant capacity is under utilised : The product plant, Dharwad of L.M.F is not operated to its maximum capacity. Of course, the reason is the non-procurement of milk to meet its installed capacity. The maximum rated processing capacity of the plant is 1,50,000 litres per day. where as the average milk handled per day during lean season is 30,000 litres and 92,000 litres during flush season.

The under utilisation of plant is having its own disadvantages : The labour and machine power remains under utilised,

the fixed overhead remains same, the target production is not possible to be turned out, the shortage is felt at markets, new markets cannot be approached while it goes difficult to retain the existing markets, the customers may be disappointed and overall market reputation is affected.

10. Marketing department is culminated with various functions: The marketing department in the product plant, Dharwad of K.M.F. on the one hand is handicapped on account of the non-availability of required number and type of professional marketing executives and on the other hand, it is over loaded with a number of functions. The top-level management is assisted by a marketing consultant and a Deputy director for marketing. The two executives have to provide their specialised suggestions on the entire marketing operations of K.M.F. At its product plant, Dharwad the only professional marketing executive is the Assistant Marketing Manager, who is looking after the entire marketing department. In other words, it is he alone who has to deal with the channel members, set the sales target, measure the performance of dealers, set the criteria for their performance, attend the complaints of dealers, inspect the store houses of dealers, attend the tax aspects pertaining to sales etc.,. Further, the sales promotion activities and market information system is to be decided by him alone. Thus, the office of the marketing executive is over burdened with a number of functions to be attended by a single man. Of course, the

Assistant Marketing Manager is a professional one, capable of managing the assigned responsibilities in a more positive and efficient manner, but there is a limit for an individual's efficiency and capabilities. Many a times it so happen that, when the Assistant Marketing Manager is away to attend the dealers or the head office, there will be no one at the office to attend any problem, if arises unexpectedly.

It appears that marketing is merely a fancy name for selling function as the attention paid to the philosophy of marketing is not more than a lip service. Although, the sales officer is subordinating the marketing executive but, major attention is on products and their sale rather than on consumer, his needs and the way for satisfaction of those needs.

11. Marketing Research is not satisfactorily effective :
Marketing research is the systematic collection and interpretation of information which help the top management in taking better decisions on marketing of goods and services. The area of marketing research is vast. It can be applied to solve any problem in the field of marketing. The growth and complexity of markets, the size of the firm, the ever changing attitudes of consumers, the nature and type of competition, the selection of media mix to approach the markets, the policies to be framed on pricing, distribution, production etc., has made the tool of marketing

research inevitable in a large sized plant like K.M.F.

K.M.F. is so far unable to use this tool effectively. Leave aside other aspects, it is not yet successful in locating the point of decision to purchase the milk products. That is, who makes the purchase decision in a family- a male, female or children. Where the purchase decision is made- at home, out of home or at the point of purchase. What factors influence them to make a purchase decision.

12. The promotional activities are still ineffective : The advertising and sales promotional activities of K.M.F. are still unsuccessful in influencing the prospective customers of North Karnataka.

Advertising, one of the promotional elements used by K.M.F., has failed to communicate to market or prospective customers the message carrying the type and quality of products manufactured, in what sizes they are manufactured, at what prices they are sold, where they are available, what price advantage they carry, and so on. The news papers, and magazines are used to a large extent. But, these tools are not so much effective in creating awareness in the prospective customers. The radio broadcast is undertaken but that too to a limited extent. The powerful tool of present day i.e. T.V. telecast is not at all chosen. The road side hoardings, at least in major cities of North Karnataka, are totally unseen.

Sales promotion, the other promotional element of K.M.F is also not used effectively to stimulate either consumer or the middleman. The store-displays are found only at the approved dealer's stores and not at the other retail shops, which are more in number and from where large number of customers make their purchases.

13. Brand preference and brand loyalty is not yet created successfully : K.M.F with better quality product offered at reasonable rates is still unable to create brand preference and brand loyalty. The reason again is the defective advertising policy followed so far. Even in the North Karnataka area, which is the target market of K.M.F's product plant, Dharwad, the brand loyalty of majority of customers is in favour of other than Nandini brands. In other words, it is all due to the type of advertising policy followed by K.M.F and which is not yet successful in creating a favourable emotional disposition toward its brand.

14. Market competition is not met effectively : K.M.F. is facing tough competition even in its target market area, from both the co-operative sector and the private sector. No doubt, more or less it is successful in meeting the competition based on pricing. But, as far as non-price based competition is concerned, K.M.F is lagging far behind. Particularly, it is unable to offset the competitive claims of Gujarat Co-operative Milk Producer's Marketing Federation, Limited. The private manufacturers, inspite

of higher prices for their milk products share a sizeable portion of this market, this is mainly due to their effective advertising policy and large margin on prices.

15. The dealer's warehouses are unscientific : Even though the approved dealership is extended to only those middlemen who promise to maintain the required type of warehouse and the required standard hygienic conditions in and around it. But most of the approved dealers are unable to maintain their stores on such prescribed scientific lines. Many a times common building is used to store the milk products along with other products. It is likely in such a building that the quality of milk products get deteriorated. The K.M.F and its Mandini brand is blamed for none of its mistakes. In this way, the unscientific warehouses of approved dealers are likely to bring a bad image to Mandini brand.

16. The system of transporting its milk products is not reliable : For the distribution of its products, K.M.F is totally relying upon either the private or the common carrier. But, both the systems are unreliable. For, the common carrier carries other products along with K.M.F's milk products and the private carrier may not provide timely services. Moreover, both the systems may not provide the desired protection to milk products during transit.

Further, under the present system, K.M.F is bearing the

cost of transporting its milk products from plant site to the premises of approved dealers. But, under such a system, the cost of transport to K.M.F will be more if products are delivered to far off markets like Bijapur and Karwar and less, if delivered at Dharwad and nearby markets. That is transport charges per unit will not be same but widely differs depending upon the distance of markets to be covered.

17. The resale price fixing policy is not strictly controlled : The final market price at which the milk products are to be sold is printed by K.M.F on each packet of its products. But, many a times it is found that the retailers charge the price more than what is printed on packets. When asked, retailers provide an easy answer that 'the packet-labels are printed earlier but the fresh products with revised prices are delivered in the same packets'. Sometimes, the same packets are found with two different figures of prices. It goes very difficult for innocent customers to find out which figures are originally printed or which price label is the genuine one.

Further, the resale price control policy itself is disliked by those middlemen who fear that their merchandising ability is restricted- who act as 'loss leaders' or follow 'cut prices'. That is, some middlemen follow the practice of charging lower prices on some products and the resulting loss is balanced from the sale of other products by charging over prices on them.

18. The channel members are not customer-conscious : The retailers through whom the approved dealers are approaching the final consumers are not so much conscious about the needs, desires and tastes of consumers. They are unaware about the utilities possessed by Nandini branded products. On the other hand, they are busy in pushing out the products of those make upon which they get maximum margin, as they keep milk products of other make also.

19. The goal of social change is still a dream : As far as the goal of social change is concerned, K.M.F has still to go a long way. The only note-worthy point in this direction is the involvement of members from scheduled caste and tribes in village co-operative societies. In that way, it can be said that the K.M.F is active in solving the problem of untouchability. But, as far as the use of additional income from milk sale in opening of educational institutions, child and women health care centres, local water supply schemes, electrification, access roads, etc., is concerned, it is still a dream.

5.2 Conclusion :

K.M.F's product plant at Dharwad, started its commercial operations from January 1984. At this stage, it will be too earlier to judge its marketing performance. Within such a short span of time of about three years, it will be no exaggeration to say that it is marching ahead in the right spirit and direction of fulfilling its those purposes for which it is established.

The peoples of North Karnataka, both the economically backward class of rural areas and the income earning class of urban areas aspire many a great miracles from it. The rural marginal farmers, landless labour class, etc., wants to have a remunerative source of income either to support their agricultural operations or to have a prestigious way for living in rural society. At the other side, the middle class and higher income earning class of urban areas expect not only distribution of milk products but their facilitation. K.M.F has dared to shoulder the responsibility of fulfilling these dual purposes.

Till recently, the economic luck of milk producers of this region was in the hands of middlemen. Who, by determining their own terms, were successful in taking away the cake and cream from the hands of poor milk producers. But, now all that has changed with the establishment of K.M.F's product plant at Dharwad. It is successfully encouraging the formation of milk co-operatives by promoting a spirit of co-operation and fraternity among different sections of the society. To prevent the exploitation of poor milk producers by middlemen, the latter are totally evaporated from the milk trade scene. Thus, to manufacture quality milk products on such a large size, the milk is also to be collected in unlimited quantities. The collection of milk on such a large quantum pave the way for providing a regular and remunerative market to the milk producers of this region. "While what has been

achieved is unquestionably impressive, but the task ahead, on the front of marketing of milk products, is indeed most challenging".

5.3 Recommendations :

The K.M.F's product plant, Dharwad will of course rank as one of the most successful milk products manufacturing plant in the country, provided the following recommendations are attempted to be implemented in near future, which are being conceived after evaluating the controllable and uncontrollable variables of its marketing strategy :

1. Top level management is to be marketing-oriented : The key for implementing marketing concept successfully is a favourable attitude on the part of top management. "Marketing begins with top management".¹ In other words, it is the top management which can provide the climate, the discipline and the leadership required for a successful marketing programme. In the words of a top marketing executive of international minerals and chemical corporation, "But a company cannot become customer-conscious by edict. Since all organisations tend to emulate their leader, it is most important that the head of the business be thoroughly customer-conscious. He can develop a mood, an atmosphere, and an esprit-de-corps reflecting the pre-eminence of the customer that permeates every nook and corner of the company".²

It does not mean that marketing executives should hold the

top positions in a company, nor it implies that the managing director of K.M.F must come up through the marketing department, but it only means that the managing director and the other members of top management must be marketing-oriented. To put in the words of the president of Pepsi-Cola "our business is the business of marketing" and in the words of the president of Burroughs Corporation "any company is nothing but a marketing organisation".

2. Authority is to be decentralised : Authority is the right to take decisions. A business decision to be effective must be purposeful and timely. Presently in K.M.F, authority is totally centralised in the hands of top management. As top level management is officiating from its head office located at Bangalore, it is not always possible to take timely decisions concerning marketing operations of its product plant at Dharwad. Hence, it is suggested to decentralise the authority upto the level of departmental heads. In other words, the departmental heads of Dharwad, product plant may be empowered to take decisions within certain limits. As these heads ever remain fully aware of the realities of the situation and therefore, they are able to take timely and purposeful decisions.

Decentralisation motivate the departmental heads to perform their tasks with more initiative, zeal and zest as there will always be opportunities to display their talents. Hence, it promotes managerial talents, reduces the burden on top executives, and makes

the overall supervision more effective. Before decentralising the authority upto departmental heads, it is to be made sure that they are not only competent enough to accept the authority and shoulder the responsibility but also professional enough to get the required work done in a required fashion.

3. The quantity of milk procurement is to be increased : The daily milk procurement quantity is to be increased to 1,50,000 litres per day which is the maximum processing capacity of plant and at which level it will be possible to operate the plant at its full capacity. The quantity of milk procurement can be increased by:

a) increasing the number of co-operatives and the number of members therein. It is not enough just to increase the number of members but a daily minimum limit for the supply of milk is to be given to such members and it should be seen that each member deposits more than the given limit. This, indirectly extends the spirit of co-operation to large masses.

b) It can collect the surplus milk from district milk producer's unions within Karnataka as well from co-operative milk producer's Federation of other states, where milk is over produced,

c) It should stop supplying milk to other dairies. In the year 1984, it has supplied milk to other dairies to the extent of 2.38 lakh Kgs; 18.10 lakh Kgs, during 1985 and 33.28 lakh Kgs. upto August, 1986. If the same quantity of milk is used in making products, then marketing performance will definitely be improving.

d) Producer members of co-operatives retain more milk for the preparation of Ghee, butter etc., at their homes. If periodical visits of these members to product plant is arranged, they will be convinced that the K.M.F.'s hygienic method of preparing milk products is more superior to their own. Further they are to be convinced about the price advantage of selling the milk (which presently is retained to prepare Ghee) and then purchasing the Mandini Ghee. In this way, that quantum of milk which is presently retained at homes of the milk producers will be available to K.M.F.

e) As operation Flood III is providing financial assistance for improving the existing plants, K.M.F. may think of having its own source of milk-supply by maintaining high yielding cows and buffaloes in suitable parts of Karnataka. The waste dry land may be purchased to convert into grassy fields for maintaining such milch animals. Alternatively, funds may be provided to village co-operatives who can provide milch animals to landless unemployed on lease-cum-sale basis. This will serve dual purposes- provision of a source of income to village unemployed and increase in the quantity of milk procurement.

f) Under various schemes, the Government of India is providing financial assistance for the economic upliftment of the poor. But, those who cannot provide sufficient guarantee to banks are practically lagging behind. The village co-operatives of K.M.F.

may come forward to provide guarantee on behalf of such landless labour class and help them in taking loans to purchase milch animals. In this way the milk collection will increase and moreover the landless unemployed will remain in the same locality instead of shifting to already over congested cities.

4. Marketing department is to be equipped with more number of marketing professional : To reduce the burden of marketing department from a single executive and to attach more importance to the marketing philosophy the sub-functions of marketing department are to be looked after by a team of marketing professionals. The sub-functions like setting of sales objectives (appointment of channel members and measurement of their performance, attending their complaints) Marketing research, advertising and sales promotion and product planning activities may be handled by separate experts. Of course, the activities of all these sub-departments are to be systematically co-ordinated so as to achieve the goals set by marketing department.

5. Marketing Research : To help the top level management in taking objective and timely decisions the marketing research is essential. It is an instrument which keeps the management always alert by providing useful facts and figures about buyer behaviour, market competition and other forces prevailing in the markets. Although marketing research can be used to solve any

problem pertaining to marketing, but at present, K.M.F may use this tool to study the consumer behaviour. It has to know, inspite of comparatively better quality products at reasonable rates, why the products are unable to gain the market appreciation. Of course, within this short period of about three years, about 40% of the market for milk products in North Karnataka is shared by K.M.F. But, what could have been achieved is not achieved. Hence, to rectify the situation marketing research is to be employed.

6. Advertising and sales promotion : On the basis of marketing research a proper strategy for advertising and sales promotion is to be framed. To create brand preference and brand loyalty, to offset the claims of competitors, to approach new markets and to improve the performance in existing markets, a proper advertising and sales promotion policy is a must. Here are some of the measures to be implemented under promotional policy:

a) In advertisement copies, besides mentioning the features and prices of products the names and addresses of dealer is also to be shown. This not only help the retailers in locating the local dealer but also improves dealer relationship.

b) The large size hoardings are to be erected to a large extent at least in urban consuming centres.

c) Repeated radio broad cast is to be used at appropriate times.

d) Tele-Vision the most influencing tool of present day is not at all touched by K.M.F. Hence, T.V. programmes are to be telecasted highlighting the features and price benefits of products.

e) Instead of cinema slides, short motion pictures may be screened in cinema theatres highlighting the various products manufactured by K.M.F, their relative utilities and price advantages etc.,.

f) The sales promotional aids are to be provided to dealers and retailers and it is to be seen strictly that the retailers decorate their stores with wall-stickers, hangings from ceilings, counter and shelves displays etc,. Further it is to be seen that the products find a proper place in retail stores, as they come in direct touch with final consumers. The retailers are to be induced to do so. The middlemen's voluntary co-operation is to be enlisted from promotional policy. Before the middleman is led to promote Nandini products, he is to be convinced that it is for his advantage to do so.

g) Short metals displaying 'Nandini' brand may be used satisfactorily in city buses, railway bogies etc.,.

Thus, in short, the advertisement and sales promotional policy should be such that the customers are reminded of 'Nandini' brand not only at the time of consuming products but also while

they are in their office, fields, on the way, while reading, entertaining etc.,.

7. Instead of distribution, the 'Mandini' products are to be facilitated : The term facilitation implies "the availability of products at each and every convenient place in convenient sizes". The convenience should be from the point of consumers. Just as the news papers or other necessary products are made available at most accessible places, so also the Mandini products are to be made available. For this, a more deeper penetration of the market is needed. A large number of sales counters in urban consuming centres may be established. The physically handicapped or widows may be allowed to handle such counters. This will benefit K.M.F doubly- firstly, a direct sale is possible and secondly the social approval of the firm. Further, if an appropriate advertisement policy is framed, then a fixed quantum of orders are expected from milk selling agent.

8. The members of channel are to be properly motivated : Apart from providing an usual rate of margin and discount, a get together meeting for motivating the retailers and dealers may be arranged at suitable places. The middlemen are to be convinced about the superior quality and other outstanding features of the products. This helps the retailers in convincing the final consumers. Further, such meetings may be arranged whenever a new milk product is introduced or when there are changes in the prices

or margins. If all the channel members of North Karnataka are invited at a single place, it may lead to an additional burden of cost of conveyance. Hence, a district wise meeting may be arranged on some suitable days. As all the retailers usually go to district centres in their usual business, there will not be any need of paying extra conveyance allowance.

Such meetings provide an opportunity for K.M.F to attend the complaints of retailers, if any. Further, the method of attending final consumer may also be demonstrated to them. Hence, such meetings strengthen the dealer-K.M.F. and retailers-K.M.F. relationship.

9. The sale of milk products through co-operative societies may be avoided as it is having discouraging effects upon approved dealers on the one hand and on the other their sales are also negligible.

10. As dealers warehouses are unscientific, K.M.F. may * construct its own ware-houses at different consuming centres. This is advantageous to K.M.F. from three points. Firstly, the quality of milk products will remain fresh and thereby strengthen the brand image, secondly, the cost of transporting milk products from plant site to the premises of approved dealers may be avoided. And thirdly, approved dealer may be asked to pick the products from proposed district warehouses of K.M.F at any time and in any

quantity. In this way, the self imposed shortages will not be felt by approved dealers. That is during festives, if the approved dealers expects the demand for one and a half truck load, than either he has to purchase two truck loads of milk products and block some amount of working capital or else he has to loose the sales of half a truck load, in case, he cannot afford to block the capital. In either case, the approved dealer will be lossing. Either he has to block the capital by ordering two truck loads or loose the profits on possible sale of half truck by ordering just a single truck load. Alternatively, till the construction or hiring up of its district wise warehouses, K.M.F may rely upon contract carriers instead of private or common carriers. Or else, it may have its own specifically built vehicles to transport its milk products from plant site to dealer's warehouses.

11. The resale price fixing policy is to be controlled strictly : Surprise checks in the garb of final consumers is to be undertaken against retailers. The mischievious retailers are not only to be penalised but they are to be totally eliminated from the trade channel. Further, those middlemen who act as 'loss leaders' or who follow the policy of 'cut prices' are to be avoided totally from the trade channel.

12. K.M.F. may think of taking over the milk product plant of Goan Government's Dempo Lairy, located at Asangi village of Bijapur district. As a kingdom within kingdom is never tolerated

So also a competitive product plant is not to be allowed to continue within the target market area of K.M.F. If it is taken over by K.M.F. it will mean the minimisation of unfair competition on the one hand and increase in milk procurement on the other.

13. Social change : A mark of an affluent, economically well-developed society is a shift in cultural emphasis from 'things' to 'people'. That is, marketing management of a modern-large-sized-plant like K.M.F. should attach much importance for creating and delivering a better quality of life, rather than only a material standard of living. To fulfill this social responsibility, the management has to devise and use its surplus income on the schemes of social approval. For example, women participation, administration of schools, kindergardens and adult education centres, running of child and women health care centres, maintainance of common Gobar Gas plants etc.,.

In a step towards providing equal status to women, K.M.F. may involve more women members in co-operatives. Moreover, joint membership (for husband and wife) with single voting power may be introduced at village co-operative society level. In case of provision of milch animals on lease-cum-sale basis, it can be provided in the joint name of both, husband and wife. Similarly, the insurance policy on the life of milch animals may be issued in the joint name of husband and wife. Hence, such provisions will lead to much more realistic participation on the part of village women folk.

K.M.F. may use television as a medium for bringing social changes in villages. Television sets may be installed in each co-operative society and video programmes, specially made for the purpose may be screened. Such programmes will be helpful in the infusion of co-operative spirit among various sections of society; in the eradication of untouchability; to minimise the susceptibility of villagers to myth, magic and miracle; to maintain environmental sanitation; etc.,.

In the years to come, as the ripples of opportunity widens, K.M.F. should prove itself as an instrumental in providing an annual income of Rs. 10 crore (as it has already claimed) per annum to the participating farmers. This additionally flown income will be a respectable source of income to many of village landless labourers and thereby check their migration to already over crowded cities. It will help the small and marginal farmers to use this amount in their petty agricultural operations like levelling of land at the edges, or getting good top soil evenly spread before the next round of cultivation. In other words, with the help of this extra cash the village farmers can not only bring more land into cultivation but will also improve it qualitatively.

Finally, K.M.F. will certainly help the village milk producers in utilising the additional flown amount in social upliftment purposes like opening of schools and kindergardens for their issues and adult education centres for themselves, making of Gobar Gas Plants

for fuel and village lighting, maintainance of child and women health care centres etc,. Thus, all in all the K.M.F should always remember that above everything else "the welfare of society should be the central point in all its efforts".

REFERENCE

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