

# WHY MOTHER DAIRY FOCUSED ON MARKETING IN A PANDEMIC YEAR

**Manish Bandilsh,**  
**MD of Mother Dairy Fruit and Vegetable Pvt. Ltd** talks about how the brand saw record ice cream sales in July due to pent up demand and their latest campaign #Swachhtagrah which is part of their long crusade against plastic

**BY NEETA NAIR**



**Q] It has been a few months since you took over as the MD of Mother Dairy, in what direction would you like to lead the brand?**

Mother Dairy is an iconic brand. And belonging from Delhi, I have grown with the brand. Apart from being well established in the North, it is iconic in other parts of the country as well. We have three businesses ---Dairy and related products, Safal, which has outlets within Delhi and also the Safal frozen business and lastly Dhara, the edible oil business. We want to grow at a very fast pace in the next few years and the opportunity in dairy for example is immense because the category itself is growing at a very fast paced manner. While milk



purely is growing at around 4% to 5%, annually, the related product range is growing at 20% plus. So we want to grow category wise and also in terms of geography.

**Q] But Mother Dairy is a more formidable brand in the North as opposed to the Southern markets, are you planning to strengthen your presence down south?**

Yes, Mother Dairy isn't very strong in the South. It's just that historically we've never been there. We have a small presence in Chennai. We are not hoping to expand in the next one year for sure, instead we would like to consolidate and grow in the geographies that we are in. The growth potential is pretty high in Mumbai, Nagpur and in the east. We'd like to move into other territories only in the second phase.

**Q] How did the pandemic impact the overall sales of Mother Dairy?**

Ice cream sales suffered the most, in the past two summers because of the lockdown, because the

distribution channel got disturbed and also because we are considerably dependent on push carts for sales. But we saw record sales for ice cream in July when the lockdown was eased. We suffered in a very minor way in the milk category last year. This year we did not stop our operations, in fact saw a spurt in certain categories like paneer because many households adapted to cooking at home. Similarly we saw good sales coming from Safal. Other categories like curd, chaas saw a dip initially but came back with a bang and we are seeing good growth there. So overall we did not really suffer much. We are entering a festival period now and I'm sure the next two months are going to be very exciting for Mother Dairy.

**Q] Ice cream was more of an outing purchase earlier, has the concept of storing ice cream tubs caught up in India due to the pandemic, also what are the challenges on the delivery front as the last mile cold delivery infrastructure is still a missing link in India?**



**The milk and associated product categories is very region specific in terms of their reach because their shelf life is very low, so competition varies from region to region like Hatsun in the South and Amul in the West.”**



One of our recent campaigns specifically catered to the at-home consumption for which we brought in new packaging and variants. Due to the pandemic, the in-home consumption has definitely increased and we are present in all the online channels of delivery services and e-commerce channels to cater to that demand. We are seeing huge traction both in larger packs of tubs and impulse categories now that things are getting back to normal.

**Q] How about marketing spends, did you cut down on that last year and will that increase substantially this year?**

We did not curtail our marketing spends at all last year. We were at par with what the plan was and hope to do that again this year. We're in a competitive scenario and dealing with big players like Amul, so it becomes important to keep your brand alive, thus marketing is essential. So we would definitely be investing behind that. We have budgeted around 20%-25% increase in marketing spends for this year. Proportionately it will go into the festive period as well. We are hoping to have a good year.

**Q] Tell us about your recent marketing campaign #Swachhagrah where you are asking people to reduce the usage of plastic.**

We are not a typical FMCG organisation. From our inception we have had a strong sense of social responsibility. #Swachhagrah aims at reducing the usage of plastic. Our token milk is available across 3000 units in the Delhi NCR region, usage of that can save approximately 700 tonnes of plastic annually. It takes a little effort because the customer has to physically walk up to the booth but we have a large number of booths operating in the Delhi-NCR region, which may be available within 300-400 metres of your home.

**Q] But do you think you can ever put a date to when Mother Dairy can completely put an end to the usage of plastic in packaging milk?**

Plastic usage cannot go away. But there are a lot of

efforts in that direction. For FMCG and other related product categories to replace plastic is going to be tough in the short run, until you have an alternate packing mechanism. Needless to say our R&D team is working frantically to create an alternative which is biodegradable but I won't be able to put a timeline to it. Mother Dairy is amongst the first companies in the dairy industry to have signed an Extended Producer Responsibility wherein we are committed to collect and recycle plastic to the extent of plastic that we use. As of March 2021 we have collected more than 7000 tons of plastic waste and recycled it. We receive many requests from Resident Welfare Organisations asking us to pick up the milk pouches that they collect in their society. So it requires a certain amount of effort at the ground level and we are supporting the initiative wherever we can.

**Q] What is the marketing mix for this campaign?**

This particular campaign is largely digital in nature and is aimed more towards the younger generation because they are more socially active, and inclined towards saving the environment.

**Q] Today who do you view as your closest competitor considering that large brands like Coca Cola and ITC have also entered the value added dairy products space in addition to milk specific brands?**

The milk and associated product



categories is very region specific in terms of reach because life of the milk products is very low, so competition varies from region to region like Hatsun in the South and Amul in the West. It is very difficult for anybody to transport such products from Delhi to Mumbai because the supply chain costs are prohibitive. You have to maintain temperature and you already lose around 25%-30% of the shelf life in transportation. Hence, when you are present in such a category, you'd like to maximise the sales in geographies which are closer to you.

As far as competition is concerned, your strategies need to keep changing because in the background, there are co-operatives, and other players who also get some benefit from the government. It thus becomes difficult for you to compete in those specific regions. But overall, Amul is the big daddy in the dairy industry, and would be a competition for all of us.

**Feedback:**

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