

RECENT TRENDS IN THE MARKETING OF MILK - A PERSPECTIVE

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Introduction

India possesses 27 acknowledged indigenous breeds of cattle and seven breeds of buffaloes various central and centrally sponsored scheme are being implemented for genetic improvement of cattle and buffalo with a view to enhance the per capita availability of consumption of milk production. This milk producing capacity of an animal depends upon its pedigree however, environmental condition also affects milk production and under favourable condition milk production from even good animals is lower.

In 2011/2012, Muller has been positioning its portfolio as a healthy snack food and has been widening its range with its One a Day brand, which contains a portion of fruit to contribute towards the 'five-a-day' fruit and vegetable target. Dairy Crest, meanwhile, has focused on the calcium content of its products.

Economic Survey 2012-2013

- Economic survey optimistic on growth
- Current fuel prices not fiscally sustainable
- Expenditure control needed to control deficit
- Power, coal seeing a revival
- Expect revenues of Rs. 840 to 870 Crs in FY 10
- Lower peak custom duty to 7.5% from 10%
- Accepted major recommendations of 13th Financial Panel
- Food inflation is at present hovering close to 18%
- Rising food inflation a major concern
- Growth in private investments
- India's GDP to return to 9% in 2014-15
- India can become world's fastest growing economy in 4 years.

India's Milk Product Mix

Fluid Milk	46.0%
Ghee	27.5%
Butter	6.5%
Curd	7.0%
Khoa (partially Dehydrated Condensed Milk)	6.5%
Milk Powders, including IMF	3.5%
Paneer & Chhana (Cottage Cheese)	2.0%
Others, including Cream, ice Cream	1.0%

Milk Consumption and Production

The total milk consumption (as fluid milk and processed products) per person varies widely from high in Europe and North America to low in Asia. However, as the various regions of the world become more integrated through travel and migration, these trends are changing, a factor which needs to be considered by product developer and marketer of milk and milk products in various countries of the world.

Handler

A handler is a person - an individual, partnership, corporation, association, or other business unit, that is subject to the provisions of an order. A handler can be an operator of a plant that is approved by a duly constituted regulatory agency for the handling of grade milk. A handler also can be a milk distributor or a broker. A cooperative association that does not operate a plant can be a handler.

Pool Handler

Pool handler is a handler that is subject in full to the provision of the order. A pool handler can be an operator of a plant that meets the minimum performance standards included in each order, a pool plant, Such plants include distributing plants, plants primarily engaged in processing packaged fluid milk products and supply plants, plants primarily engaged in producing manufactured dairy products. A cooperative association that does not operate a plant can be a pool handler. A milk distributor or broker cannot be a pool handler.

Receipts of Milk

FMO statistics include volumes of milk received by handlers regulated under each of the federal orders. Receipts of milk principally come from producers. The volume of milk that is reported as received by handlers from producers includes all such milk regardless of where it may be sold. Milk identified as that received from producers for a given market may come directly from nearby producers or from producers associated with a supply plant which, although located several hundred miles from the marketing area, is pooled on the market.

Milk Production in India

Milk	Production (Million Tones)	Per Capital Availability (GMS/Day)
2000-01	80.6	220
2001-02	84.4	225
2002-03	86.2	230
2003-04	88.1	231
2005-06	92.5	233
2006-07	100.9	246
2007-08	104.8	252
2008-09	114.4	268
2010-11	124.4	278
2011-12	132.2	286
2012-13	141.10	292

Source: Department of Animal Husbandry, Dairy in & Fisheries, Ministry of Agriculture, GOL.

The performance of the Indian dairy sector during the past three decades has been very impressive; milk production grew at an average annual rate of 4.57 percent during the 1970's, 5.68 percent during the 1980's, and 4.21 percent during the 1990's. The country's milk production was expected to reach 84.4 million tons.

From 1990 onwards, India has made considerable progress in dairy equipment manufacture as well (table 2). It is, however, still confined to certain categories such as road tankers, storage tanks, bulk milk coolers, small homogenizers, milk pasteurizers, milk vending machine and liquid milk packaging system etc. Equipment for packaging of butter, cheese, paneer and other traditional products needs attention with an eye on the industry's need for small and large scale operations. Milk is an essential nutritional requirement of human beings. The children largely depend on milk for nutrition. Higher milk production, therefore, will also increase the health status of the farmers and people at large.

Suggestions and Conclusion

- The Union should give importance to increase the price.
- The union should give importance to reduce the distance problem.
- The number of societies has to be increased for the convenience of the producers.
- In order to compete with private societies, the co-operative societies should give timely payment to its members.
- The union should improve the animal health care facilities to avoid the death of animals.
- Awareness programmes should be conducted.
- The union has to increase the bonus facilities to attract the producers.

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