



# Competitive Analysis and Positioning Strategy for Organic Products in FMCG: A Case Study of Amul

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## ABSTRACT

This study deals with competitive analysis and positioning strategies for Amul's organic product line with an emphasis on the dynamics of the fast moving consumer goods (FMCG) sector. Conducted under the Summer Internship Program (SIP) with the Gujarat Co-operative Milk Marketing Federation (GCMMF) in Nagpur, this study aims to assess market trends, consumer preferences and strategic opportunities for positioning organic products. The findings highlight critical insights into competitor tactics, product differentiation and strategic recommendations for Amul to strengthen its position in the growing organic market segment.

Keywords: Amul, competitive analysis, organic products, FMCG, market strategy, consumer preferences

## 1. Introduction

India's FMCG sector is the fourth largest sector in the country and has seen strong growth, driven by rising disposable income, growing health awareness and preference for sustainable products. In this context, the segment of organic products is expanding significantly and primarily appeals to consumers in cities who care about their health. Amul, a well-established brand in the dairy sector, has diversified into organic cereals and pulses to meet this growing demand for organic food products. The primary objective of this study was to identify key competitors in the green FMCG space, evaluate their strategies and suggest targeted placement and promotional initiatives for Amul organic products. This research serves to provide Amul with insights that will support its position as a competitive player in the organic segment . .



Segment of FMCG

## 2. Literature Review

This industry is critical for brands looking to strengthen their market presence. Previous studies have shown that differentiation through quality, strategic pricing and effective distribution is essential in the highly competitive FMCG market. Organic products, especially in regions with increasing health awareness, have significant growth potential. Brands that effectively communicate their health and environmental benefits tend to gain a loyal consumer base. Theories such as Porter's Five Forces and the Resource-Based View support a focus on competitive dynamics, resource advantages and market position as key components of brand success in this segment.

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### 3. Research Methodology

This study adopted a descriptive research design. Data was collected through structured surveys and interviews with various stakeholders including retailers, distributors and end consumers in Nagpur. The research framework focused on three key areas:

- Identification and analysis of competitors: Overview of competitors' product offerings, prices and promotional activities.
- Consumer preferences and trends: Gathering insights into factors influencing consumer choices such as price sensitivity, brand loyalty and perceived health benefits of organic products.
- Strategic Placement Opportunities: Analysis of retail channels and key locations for optimal placement of Amul organic products from primary sources supplemented with secondary data from market reports and insights provided by industry experts. This blended approach ensured a comprehensive understanding of the competitive environment and consumer preferences in the region.

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### 4. Analysis and Findings

#### 4.1 Competitor Landscape

The analysis revealed that Amul faces intense competition in the organic FMCG market from brands like 24 Mantra, Mother Dairy and Organic India. These competitors have successfully used aggressive pricing, strategic distribution, and a health-focused brand to gain significant share in the organic segment. Especially:

- 24 Mantra: Known for its wide range of eco-friendly offerings, the brand uses competitive pricing and eco-friendly packaging to appeal to health-conscious consumers.
- Mother Dairy: Primarily a dairy brand that has diversified into organic dairy products and provides direct competition to Amul's organic milk based products.
- Organic India: Focuses on the niche market of organic herbal and wellness products, which indirectly influences the organic products environment in which Amul operates. These competitors have established themselves by emphasizing product quality, health benefits and affordability. In contrast, Amul has the advantage of brand recognition, extensive distribution networks and a reputation for quality.

#### 4.2 Consumer Preferences and Price Sensitivity

Survey data has shown that consumers prioritize quality and health benefits when choosing organic products, yet price sensitivity remains high. Around 60% of respondents preferred brands offering competitive prices without compromising on quality. Amul's reputation for quality strengthens its position, but pricing and product differentiation may need to be adjusted to appeal to a wider market. A significant trend identified was the growing preference among urban consumers for organic cereals and pulses, driven by perceptions of health benefits and sustainability. Many consumers have expressed willingness to switch to Amul's eco-friendly products if they are more available at retail and online.

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### 5. Strategic recommendations.

#### 5.1 Product Placement Strategy

Amul organic products should be strategically placed in high traffic areas in retail stores, supermarkets and specialty organic stores. In addition, exclusive kiosks in prominent locations in supermarkets can highlight the brand. Recommended steps include: • Retail Partnerships: Working with major supermarkets to provide premium shelf space and promote Amul's organic range. • In-store promotions: Setting up branded kiosks with samples and information materials on the health benefits of organic products to attract health-conscious consumers.

#### 5.2 Digital and Physical Marketing Campaigns

Amul can increase brand awareness through targeted campaigns focusing on the benefits of organic consumption. Key elements include:

- Digital Marketing: Social media campaigns, influencer partnerships, and online advertising can attract younger, tech-savvy consumers who prioritize health and sustainability. Emphasizing product attributes such as '100% organic' and 'locally sourced' can reinforce Amul's brand values.
- Physical promotions: Using in-store advertising, leaflets and regular discounts will encourage trial purchases. In areas with a strong retail presence, Amul could hold awareness sessions or workshops on green products to reach consumers directly.

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### 5.3 Pricing Strategy

Given the high price sensitivity of consumers, Amul should consider a competitive pricing approach, especially for staple items such as pulses and rice. Offering bundles or discounts for bulk purchases can attract budget-conscious consumers, thereby expanding Amul's market base. Sales in this segment could also be boosted by seasonal promotional offers, especially during festivals.

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## 6. Conclusion

The SIP study concludes that through strategic positioning, competitive pricing and consumer-focused promotional activities, Amul can strengthen its position in the organic FMCG segment. A strong brand reputation provides a solid foundation; however, it must take a dynamic approach in response to competitive strategies and evolving consumer preferences. Future studies can expand to other regions and explore the impact of digital marketing on consumer behavior for green products.

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## 7. Future Implications and Limitations

While this study focused on the Nagpur region, similar research could be replicated in other metropolitan cities to better understand regional consumer preferences. In addition, as digital consumption continues to grow, future research could examine how online marketing efforts influence consumer perceptions and purchasing behavior in the organic FMCG industry.

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## 8. References

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