

## **DISTRIBUTION STRATEGY OF AN ORGANIZATION WITH REFERENCE TO AMUL MILK DIARY**

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**ABSTRACT:** Amul's performance is influenced by its distribution strategy, which ensures that its products are consistently accessible, fresh, and available in a variety of regions. Amul establishes a system to connect with consumers in both urban and rural areas by means of online platforms, wholesale agreements, and direct retail stores. Regional centers and cold storage facilities are critical components of the supply chain that facilitate the efficient distribution of dairy products from production to the end user. By integrating traditional and digital channels to adapt to evolving consumer demands, it is feasible to enhance market penetration and efficiency. An efficient logistics design can result in long-term growth, consumer satisfaction, and brand loyalty, as demonstrated by Amul's distribution network.

**Keywords:** *Amul, Distribution Strategy, Supply Chain Management, Logistics Efficiency, Cold Chain Management, Market Penetration, Retail Network,*

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### **I. INTRODUCTION**

The distribution strategy of a business delineates the process by which its products are transported from the factory to the customer. The primary objective is to guarantee that consumers are satisfied and that their orders are delivered promptly. In order to optimize logistics, it is necessary to identify optimal venues, including wholesalers, retailers, and e-commerce platforms, and to manage shipping, warehousing, and delivery. The allocation of resources, the shelf life of perishable commodities, and the intervals between product purchases are among the other considerations.

A company's distribution strategy is an essential component of its operations, as it dictates the manner in which products will be delivered to consumers. In the current competitive business environment, it is imperative to develop a meticulously planned strategy, as consumer expectations are constantly changing and retail technology is advancing at an unprecedented pace. This benefits businesses in three distinct ways: profitability, market share expansion, and consumer satisfaction.

The effectiveness of an organization is primarily determined by its distribution strategy, business plan, and product line. The streamlined procurement process encompasses product surveillance, shipment, storage, and sales. Luxury items may be sold through specialized channels, while ordinary commodities, such as bottled water, should be readily accessible at local convenience stores. Businesses frequently implement synergistic strategies to enhance their market position and revenue.

It is evidently significant due to its ubiquitous availability. The significance of operational efficiency is underscored by the estimated \$2 trillion in expenses for global distribution services in 2022. Strategies such as selective, exclusive, or concentrated marketing can

facilitate the rapid and cost-effective distribution of products to customers. With the appropriate methodology, it is feasible to enhance both revenue and consumer satisfaction. The primary goal of distribution strategies is to achieve a balance between consumer requirements, costs, and efficiency. By taking into account economic, regional, and national factors, organizations can promptly adapt to market fluctuations. A comprehensive approach that ensures timely delivery, ideal condition, and competitive pricing can help organizations foster innovation, gain client loyalty, and achieve sustainable success.

## II. LITERATURE SURVEY

Obara, S. A. O., Mboya, T., Maendo, D. & Owino, E. (2025): The impact of concentrated and exclusive distribution techniques on service delivery in Kenyan courier companies, as well as the moderating variable of tracking technology, is the focus of this paper. The investigation collected data from 426 delivery service consumers using distribution channel theory and resource-based theory. Although both intensive and exclusive techniques enhance service quality, the findings indicated that intensive dissemination had a more apparent effect. Customer satisfaction and operational dependability are enhanced by enhanced tracking technology, which results in superior outcomes. In order to remain competitive in the constantly changing courier industry, the authors recommend that businesses enhance their delivery systems by investing in state-of-the-art technology and improved processes.

Patel, M., & Desai, K. (2024): The objective of this investigation is to determine the extent to which transportation alternatives can facilitate the adaptation of businesses by meeting their requirements. It ascertains the manner in which enterprises modify their distribution networks to more effectively adapt to market fluctuations by examining survey data from the service and industrial sectors. Organizations can promptly adjust to fluctuations in demand by employing responsive and decentralized distribution systems, as indicated by the findings. This coordination is significantly enhanced when storage facilities and intermediaries collaborate through technological means.

Singh, R., & Sharma, P. (2023): The objective of this investigation is to enhance the distribution channels of businesses that operate in emerging nations with a variety of consumer behaviors and infrastructure. The authors concentrate on hybrid distribution methods in order to identify the optimal balance between market penetration and cost-effectiveness. By collaborating with regional distributors, manufacturing and FMCG companies in Asia and Africa can adapt to changing conditions and access new markets, as demonstrated by case studies. The paper demonstrates the importance of systems that can adapt to regional demand fluctuations. It also illustrates how technology can enhance product management and visibility.

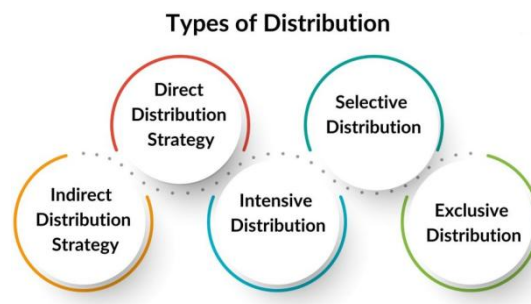
Brown, T., & Nguyen, H. (2022): The objective of this investigation is to enhance the distribution channels of businesses that operate in emerging nations with a variety of consumer behaviors and infrastructure. The authors concentrate on hybrid distribution methods in order to identify the optimal balance between market penetration and cost-effectiveness. By collaborating with regional distributors, manufacturing and FMCG companies in Asia and Africa can adapt to changing conditions and access new markets, as demonstrated by case studies. The paper demonstrates the importance of systems that can

adapt to regional demand fluctuations. It also illustrates how technology can enhance product management and visibility.

Wilson, J., & O'Brien, L. (2021): This paper investigates the strategic design of a distribution network and its integration into a company's value chain. The overall performance is influenced by the selection of channels, transportation options, and site layout, as explained. The writers investigate the trade-offs between cost-effectiveness and service levels by employing decision-modeling techniques. Businesses are able to more effectively adapt to market fluctuations when their distribution strategies are aligned with their overarching corporate strategy, as indicated by the findings. Conversely, intelligent distribution design fortifies the supply chain.

### III. TYPES OF DISTRIBUTION STRATEGIES

Direct and indirect marketing are the most prevalent forms of cutting-edge strategies that businesses can implement. The five most prevalent distribution strategies are as follows:



#### Direct distribution

The direct distribution model is employed by manufacturers to deliver their products directly to consumers. You have the option of placing an order via a catalog, an online store, or over the phone. The goods will be dispatched directly to the shipping address that the customer has supplied when they place an order. The direct distribution approach enables a more comprehensive understanding of your target audience and customers. This may enable you to gain a more comprehensive understanding of the customer service process. Businesses may discover that direct distribution is more profitable than wholesale or retail distribution.

#### Indirect distribution

An intermediary assists with product placement and logistics as part of an indirect distribution plan to guarantee that customers' deliveries occur at the most opportune time and location for them, as determined by their preferences or actions. The manufacturer and the individuals who will be using the products are unable to engage in one-on-one interactions. A manufacturer may distribute its products to a large, unaffiliated retailer, from whom a consumer would purchase them. Indirect marketing facilitates the dissemination of information about a business, facilitates the provision of a superior customer experience, and expands the accessibility of websites to a broader audience.

In their indirect distribution plan, companies may hire the following middlemen:

- **Wholesaler:** A wholesaler is an individual who purchases products in bulk from manufacturers and subsequently resells them to retailers. Manufacturers and distributors may directly sell the products to merchants in order to capitalize on their resale value. A discount may be available if you purchase a large quantity of products at once. They have

the ability to bypass traditional middlemen and sell directly to consumers through the use of catalogs, social media, e-commerce sites, and even telephone conversations.

- **Retailer:** Manufacturers may opt to license their products, services, and brand identification to an individual rather than constructing their own locations. Despite the fact that the franchise is owned by a single individual, the manufacturer retains significant influence as a result of the contracts.
- **Franchisor:** The franchisor's distributors are accountable for guaranteeing that the products of the producers are delivered to their intended destinations, including retail stores. Manufacturers may wish to collaborate with a specific merchant in order to reduce logistical and shipping expenses.
- **Distributor:** The services of a distributor facilitate the transportation of products manufactured by a producer to stores or other ultimate destinations. Manufacturers may wish to collaborate with a particular distributor in order to reduce logistical and transportation costs.

### **Intensive distribution**

The aggressive distribution approach is employed by corporations to ensure that their products are available at the maximum number of retail locations. This distribution method is typically effective for products that do not necessitate extensive advertising. If you have a low-cost product that is in high demand, this marketing approach may be advantageous for your organization. A breath mint manufacturer may distribute its products in a variety of locations, such as grocery stores, petrol stations, vending devices, and other substantial establishments. A more aggressive marketing strategy has the potential to increase brand recognition, penetrate new markets, and attract new customers.

### **Selective distribution**

The selective distribution method involves the combination of extensive dissemination and limited availability. Companies that implement this methodology distribute their merchandise to numerous locations; however, they are more selective in their selection of retailers than those that implement an aggressive marketing strategy.

### **Exclusive distribution**

Producers agree to restrict their merchandise to a specific retailer as part of an exclusive marketing strategy. Some individuals desire to exclusively sell their products under their own brand, regardless of whether they are sold online or in physical stores. Customers may be restricted to purchasing high-end vehicles exclusively from one of your sites, contingent upon the company's offerings. This approach is particularly advantageous for items that are both costly and in high demand.

## **IV. SOFTWARE FOR EFFECTIVE DISTRIBUTION STRATEGIES**

Distribution software enhances logistics efficiency by simplifying the administration of stock levels and shipments. The Mecalux Group created a self-contained order management system known as Easy DOM. The door is opened to a system of warehouses and delivery locations that can fulfill orders. What are the methods by which it functions?

**Smart planning.**

The solution optimizes orchestration and enables order routing by utilizing inventory location, demand, and arrival schedules.

**Carrier integration.**

Easy DOM allows users to generate or modify business rules for any location, node, or transportation provider. It evaluates shipping costs, delivery timeframes, and associated services to identify the most optimal logistical solutions.

**Real-time control and full traceability.**

The system monitors user orders and shipments in real time. This technology guarantees precise shipment tracking by monitoring each SKU as it traverses the entire supply chain.

**V. RESULTS**

**1. What is the extent to which AMUL's distribution network aligns with the following assertion?**

S.NO	PARTICULARS	RESPONDENTS	PERCENTAGE
1	Centralized	10	10%
2	Decentralized	64	64%
3	Hybrid	8	8%
4	Networked	18	18%
<b>TOTAL</b>		<b>100</b>	<b>100%</b>

**INTERPRETATION:** A decentralized operations group has the support of 64% of respondents. The runner-up most preferred choice was a networked system, which received 18% of the vote. Surprisingly, 10% of variations are centralized, while 8% are hybrid variants.

**2. What objectives does AMUL intend to accomplish through its direct-to-retail strategy?**

S.NO	PARTICULARS	RESPONDENTS	PERCENTAGE
1	Reduce dependency on third-party vendors	3	3%
2	Maintain tight control over inventory	74	74%
3	Increase product variety	5	5%
4	Enter international markets	18	18%
<b>TOTAL</b>		<b>100</b>	<b>100%</b>

**INTERPRETATION:** According to 74% of respondents, inventory control is indispensable. Expansion into foreign markets is the second most popular strategy, as supported by 18% of respondents to the survey. Additionally, the importance of diversifying product lines (5% of the time) and reducing dependence on external suppliers (3% of the time) is not adequately addressed.

**3. How does AMUL make sure that fresh dairy products are available for purchase in sufficient quantities?**

S.NO	PARTICULARS	RESPONDENTS	PERCENTAGE
1	By using online channels	25	25%
2	By maintaining a robust distribution network	55	55%
3	By offering only non-perishable products	15	15%
4	By limiting product offerings	5	5%
<b>TOTAL</b>		<b>100</b>	<b>100%</b>

**INTERPRETATION:** In order to attain success, the majority of respondents (55%) believe that a robust distribution network is essential. Additionally, 25% of respondents who completed the survey believed that websites were of paramount importance. Two specific strategies that reduce tension are selling only non-perishable goods by 15% and reducing the number of consumable products by 5%.

**4. How does AMUL intend to expand its commercial operations in comparison to its competitors?**

S.NO	PARTICULARS	RESPONDENTS	PERCENTAGE
1	Focus on high-end products	25	25%
2	Extensive reach in rural areas	60	60%
3	Exclusive use of online platforms	10	10%
4	Limited product availability	5	5%
<b>TOTAL</b>		<b>100</b>	<b>100%</b>

**INTERPRETATION:** Although the majority of respondents (60%) insisted on reaching a broad audience in rural areas, only 25% of them focused on premium products. The interest in products that are difficult to purchase (5%) or sold exclusively online (10%) is generally lower.

**5. What is the purpose of AMUL's sales network?**

S.NO	PARTICULARS	RESPONDENTS	PERCENTAGE
1	Developing new products	18	18%
2	Ensuring timely product delivery	63	63%
3	Cutting down on advertising costs	7	7%
4	Offering customer support	12	12%
<b>TOTAL</b>		<b>100</b>	<b>100%</b>

**INTERPRETATION:** A significant number of respondents (63%) underscored the significance of timely product delivery. The development of novel products is also essential, as 18% of individuals have chosen to focus on it. Customer service is prioritized at a reduced rate (12%), while advertising expenditures are reduced by 7%.

**VI. CONCLUSION**

A business's success is contingent upon its marketing strategy, which guarantees that consumers will receive products and services in a timely and precise manner. A customer-centric design that is consistent with the organization's strategic objectives can result in enhanced accessibility and increased customer satisfaction. It is essential to select the appropriate channels, strike the appropriate equilibrium between low prices and exceptional service, and utilize technology and innovative ideas. The network is resilient due to its

capacity to adapt to market fluctuations and its strong relationships with logistics providers, retailers, and wholesalers. This method preserves agility and competitiveness by consistently evaluating performance data and designating improvement priorities. Businesses can maintain a competitive edge by establishing a distribution strategy that enables them to cultivate loyal consumers, expand steadily, and adjust to evolving market conditions.

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