

Business Standard

Amul is a premium product for everybody: R S Sodhi

Interview with Managing director, GCMMF

[Vinay Umarji](#) November 30, 2015 Last Updated at 21:40 IST



Last week Google celebrated the 94th birthday of Verghese Kurien with a special doodle, which had him sitting on a stool next to a buffalo holding a container used to deliver milk. The association was clear enough to all who know Kurien - the milkman of India, leader of the country's white revolution and of course, as the progenitor of the brand Amul. For the Gujarat Co-operative Milk Marketing Federation (GCMMF), which began promoting his birthday (November 26) as National Milk Day a year ago on its Amul milk pouches, Google's doodle and the support of dairy co-operatives from all around the country offered a big boost to its branding efforts. Co-operative milk federations in other states like Kerala, Karnataka, and Bihar joined in on the celebrations. Events such as art and quiz competitions were held in urban centres and in the villages, milk societies were cleaned as part of the National Milk Day. And while efforts to celebrate the day are not directed at promoting Amul, the move is working in its favour, helping the brand carve a leadership role for itself within the organised dairy sector. **R S Sodhi**, managing director, of GCMMF talks to *Vinay Umarji* on Amul's role

and how it is establishing itself as an urban brand. Excerpts:

How is the celebration of Verghese Kurien's birthday as national milk day helping Amul as a brand?

Dr. Kurien's birthday celebration has nothing to do with Amul. The Amul brand was not even mentioned.

Dr. Kurien is not just for Amul but for everybody. Not just in Gujarat, Dr. Kurien is loved by farmers across India. The celebration was not for the purpose of promoting Amul.

Amul was recently voted as the most meaningful brand. What helped Amul achieve the same?

In the past 60 years, Amul has won the faith of millions of consumers by giving best quality dairy products, made out of best ingredients. Amul has never replaced best and premium ingredients with cheap ingredients. People know that when they buy Amul products, they will be charged reasonably, will be given best quality products made using best technology for packaging. We have never misused this faith, for instance, by charging more on butter on the pretext of its shortage. And Amul is a brand that a consumer used right from the time he/she wakes up till he/she goes to sleep. Amul has pervaded into daily routines of our lives. It is a premium product for everybody.

We have tried to make Amul very contemporary. The butter campaign makes our brand very contemporary. Even our packaging is very contemporary. We also keep coming up with innovative products and take care of a consumer's changing food habits.

From lactose free milk to sports drink, Amul seems to be establishing itself as an urban brand - what future steps will you take in this direction?

Amul brand has two faces. Amul is a strong urban brand as far as food and dairy products are concerned. And it is equally strong as a brand that provides very remunerative prices to milk producers across the country. We will keep on studying the changing consumer habits, expectations and needs, and keep coming with innovative products based on the same. We are also trying to increase the market share in each of the categories such as butter and beverages. As of now, in all the categories, we have an 80-90 per cent market share which we are looking to increase.

We are also investing a lot towards increasing the organised branded dairy products market. Even today, the total branded dairy products market in India is around Rs 70,000-75,000 crore, of which Amul has over 25 per cent share. This market has a potential to go up to Rs 2 lakh crore. Amul is trying hard to increase the branded dairy product market.

GCMMF is now expanding milk procurement from Punjab. How is that going to help Amul ?

We have gone to Rajasthan, UP, Haryana, West Bengal, Maharashtra, Madhya Pradesh and now Punjab. With our milk and milk products' sales increasing, Gujarat alone cannot meet our requirements and, hence, we are going to other states. This has in turn helped the Amul brand being expanded among milk producers in other parts of the country. Our annual milk

procurement stands at around 17.5 million litres, of which 15 million comes from Gujarat while rest comes from other states.

Any price hike in milk in the offing?

Not yet. The dairy market is going through a phase where there's lot of surplus commodity stocks lying such as skimmed milk powder and butter, among other products.

What is the anticipated turnover for this fiscal?

We had clocked a turnover of Rs 20,700 crore last year. This year we anticipate it to be around Rs 23,500 crore.