

## SWAD brand - "Think local act global": A case of Vimal agro products Pvt. Ltd., Bardoli, Surat

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### Abstract

It remains always a challenging task for an entrepreneur to start the venture at domestic level and taking the same to international markets. There are many factors which affects the process of converting local business into a global one. Marketers are always trying to find a ways and means to jump out through various modes of globalization. The present case examines and reports few issues and challenges related to marketing strategies used for SWAD brand from local market to global markets - a case of Vimal Agro Products Pvt. Ltd. However, discussions can be done on various issues like how SWAD brand can be promoted more in foreign markets while facing major issues of multi culture and multiple tastes of consumers. What will be the future potential for increasing digital marketing strategies for SWAD brand?

**Keywords:** "think local, act global", globalization, marketing strategies

### 1. Introduction

"You do not choose to become global. The market chooses for you; it forces your hand", very well said by Alain Gomez, CEO, Thomson. Business localities have always influenced any business person to move from local market to global market. In this process, market plays a significant role in taking local thinking to global one. However, globalization of markets can be meant as the process of integrating and merging of the distinct world markets into a single market. This process includes the identification of some common belief, values, norms, taste, preferences, and customer convenience which enables cultural shifts at a unit product demand.

A global strategy is one where a company employs the same basic competitive approach in all countries where it operates, sells its products and services everywhere. The company strives to build global brands and coordinates its actions with worldwide thinking. Generally, global strategy pursue the same basic competitive strategy theme in all country markets and offer the same products worldwide with only very minor deviations from one country to another when local market conditions so dictate. Further it utilizes the same capabilities, distribution channels and marketing approaches worldwide which will be coordinated strategic actions from central headquarter.

In line of the local thinking to global actions, further case research extended globalized business of SWAD brand of Vimal Agro Products Pvt. Ltd., Bardoli, (Gujarat).

### 2. Company at a glance

Mr. Subhash Nemani, the leader who steps up into business world, after lots of struggle and hard work, in the year 1975 with a Rice Mill. His journey began in the year 1988 in Bardoli city of Gujarat (250 km from the Commercial capital of India, Mumbai) when he established the processed food division with support of young and learned sons - Mr. Piyush Nemani and Mr. Sandeep Nemani. Since then, they never look back and have been continuing innovative new products and improving operations. The family also has adopted food safety standards that are essential legal requirements. It was sad news for the

family when recently US Food and Drug Administration Rejects Several Snack Products from India (including reputed brand Haldiram's) for Contaminants. So, the question of survival in the changing global arena always keeps Nemani Family concerned.

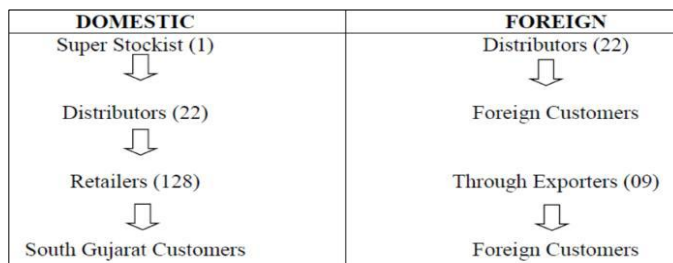
The secret of Vimal Agro Products Pvt. Ltd. unprecedented success is undoubtedly the superior standards of quality, total control over the supply chain and above all, a hand-picked team of well qualified personnel, who are responsible for delivering total quality in every functional area of the company. With over two decades of expertise and experience we supply our products to the retail sectors in United States of America, Canada, United Kingdom, Australia, United Arab Emirates & many other countries under the brand names VIMAL, SWAD & BIG PANTRY, an irresistible treat from Vimal Agro Products Pvt. Ltd.! Vimal Agro Products Pvt. Ltd. is committed to high quality foodstuffs, prompt delivery at a competitive price. Focusing on quality makes for a leaner, fitter organization and one that is better equipped to win new opportunities in an increasingly competitive global marketplace. Certifying our organization to ISO 22000:2005 offers proof of our commitment to quality and, as a benchmark, allows you to measure our progress towards continual improvement of business performance. Food safety is a global concern. A management system based on HACCP principles allows us to identify, document, maintain and review food hazards that occur during the food production process.

Vimal Agro Products Pvt. Ltd. has secured An ISO 22000:2005 (Food Safety Management System) Certified Company for exactly these reasons and are governed under FPO (India) BRC Approved Plant, HALAL India Certified, and Star Export House of India.

### 2.1 Distribution Channel

Distribution of company products in domestic and foreign market are done as follows. Figures in bracket shows number of channel members / intermediaries, from manufacturers to consumers, at each intermittent level, there exists some incentives (mostly in the form of quantity discounts, like

getting free products when purchased in bulk).



Source: Personal Interview of Director - Marketing, Vimal Agro Products Pvt. Ltd.

Fig 1: Distribution Network in Domestic and International Markets

### 3. Food Industry Outlook

Industrial revolution made economic reforms in terms of liberalization, privatization and globalization in the country in the year 1991. In this reform, Agricultural sector was ignored and manufacturing sector was on priority - focusing on removal of industrial licensing, removal of import licensing from all manufactured and capital goods, tariff reductions and relaxation of rules for foreign investment. However, post 2000, government focused on the food processing industry, 100%

FDI is allowed automatically in food processing sector. No industrial license required to start the industry except for few items, like - alcohol, beer etc. Export Promotion of Food parks and export zones were promoted which provides benefits like duty free imports, profits from export sales are exempt from corporate taxes etc. Despite of that, investment in this sector has been very low in India. But the government has identified food and agro processing industry as one of the ‘sunrise’ sectors that has high potential for domestic demand and export markets. (Source: Report of Deloitte and NMCC - 2009, Govt. of India)

However, Global market for the processed foods follows the economic power of the countries. Developed economies show more inclination towards processed foods due to higher income levels, rapid urbanization and rising income levels in the developing economies create the demand for processed foods. (Source: Report of Deloitte and NMCC - 2009, Govt. of India). Looking to these global scenario, Vimal Agro Products Pvt. Ltd. made its global presence with exports over 80 different food products in US, UK, China, Middle East and Japan since more than 25 years. The range of products available is under brand names - VIMAL, SWAD and BIG PANTRY. (Detailed Product list given in Table – 1).

Table 1: Vimal Agro Products Pvt. Ltd. - Range of Products

Mango Pulp & Slice	Canned Vegetable In Brine	Ready 2 Eat Food (Canned)	Ready 2 Eat Food (Pouch)	Pickle	Sweet Pickle & Chutney
Kesar Mango Pulp	Chick Peas In Brine	Aloo Methi	Aloo Mutter	Mango Pickle	Chhundo
Alphonso Mango Pulp	Drumstick In Brine	Aloo Mutter	Baigan Bhartha	Mixed Pickle	Gorkeri
Alphonso Mango Slice	Karela In Brine	Baigan Bhartha	Chatpate Chole	Lime Pickle	Sweet Lime Pickle
	Lotus Root In Brine	Chatpate Chole	Chole Pindi	Green Chilli Pickle	Sweet Mango Chutney
Cooking Paste	Okra In Brine	Chole Pindi	Dal Makhani	Methia Mango Pickle	Hot Mango Chutney
Garlic Paste	Papdi Lilva In Brine	Dal Makhani	Dal Tadka	Mango & Lime Pickle	Grey Mango Chutney
Ginger Paste	Punjabi Tinda In Brine	Dal Tadka	Kashmiri Dum Aloo	Lime & Chilli Pickle	Green Chilli Chutney
Ginger Garlic Paste	Tuver Lilva In Brine	Kashmiri Dum Aloo	Madras Sambhar	Garlic Pickle	Green Corriander Chutney
Balti Curry Paste	Yam In Brine	Madras Sambhar	Methi Mutter Malai	Ginger Pickle	Mint Chutney
Biryani Curry Paste		Methi Mutter Malai	Mixed Vegetables	Kerda Pickle	Tamarind Chutney
Bombay Curry Paste	Papad	Mixed Vegetables	Mumbai Pav Bhaji		
Jalfrezi Paste	Black Pepper Papad	Mumbai Pav Bhaji	Mutter Paneer	Exotic English Chutney	
Kashmiri Masala Curry	Plain Papad	Mutter Paneer	Navratan Korma	Brinjal Chutney	
Korma Curry Paste	Punjabi Papad	Navratan Korma	Palak Paneer	Lime & Chilli Chutney	
Madras Curry Paste	Jeera Papad	Palak Paneer	Paneer Tikka Masala	Onion Chutney	
Rogan Josh Paste	Garlic & Green Chilli Papad	Paneer Tikka Masala	Patra Curried	Pineapple Chutney	
Tandoori Curry Paste	Garlic Papad	Patra Curried	Punjabi Kadhi	Tomato Chutney	
Tikka Curry Paste	Red Chilli Papad	Punjabi Kadhi	Sarson Da Saag	Sweet Mango Chutney	
Vindaloo Curry Paste	Green Chilli Papad	Sarson Da Saag	Shahi Rajma	Hot Mango Chutney	
	Methi Papad	Shahi Paneer Makhani	Surti Undhiu	Grey Mango Chutney	
	Moong Papad	Shahi Rajma		Exotic Mango Chutney	

Source: <http://www.vimalagro.in/>

### 4. “Local to global” market strategies

Piyush Nemani, the director of Marketing striving always to project ‘SWAD’ brand to be a Distinctly Different brand. He took lot of innovative strategies to achieve high quality foodstuff, make prompt delivery at a competitive price. One of the most influential marketing strategies used is in advertisements.

After studying local market, he started giving advertisements in local newspaper in Gujarati language, especially during festive season (Refer Fig – 2). For foreign market, he run television advertisement of Alphonso and Kesar Mango Pulp on Zee Network in Hindi and English language in different Zones of the world. This advertisement is seemed to be largely appealing to Non Resident Indian (NRI) joint families. The

whole advertisement runs on song theme “Swad ki baat kya, Swad hi khoob hai...Isiliye sari duniya me naam swad ka hai mashhoor...” The whole family is shown to be enjoying every moment of their life with SWAD brand Mango Pulp– initially the couple and then rest family members (including parents) in beautifully designed, ripe mango colored theme interior set-up. The daughter-in-law serves the joy to every family member by demonstrating different applications of Mango Pulp – To be consumed with Khaja/Puri, to be consumed as Raw, to be consumed as Mango Milk Shake and to be consumed as toppings to delicious ice-cream. The advertisement concludes with note that SWAD helps in enhancing sweetness in relationships for today as well as tomorrow. (Refer Fig – 3).



Source: Available from Vimal Agro office

Fig 2: Local Print Advertisement

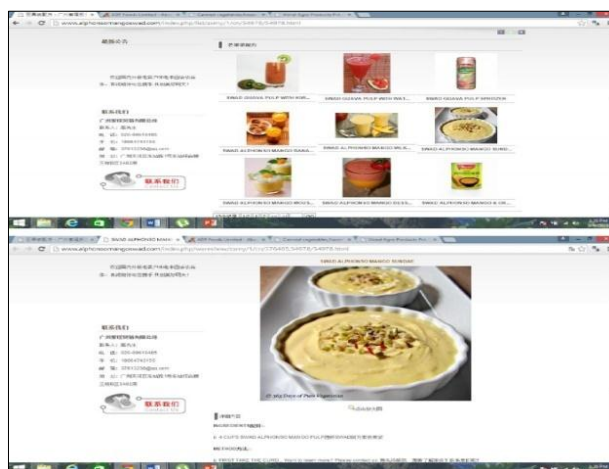


Source: TV advertisement available from Vimal Agro office

Fig 3: Television Advertisement run on Zee Network Abroad



Source: www.vimalagro.in



Source: www.alphonsomangoswad.com

Fig 4: Website Marketing by Vimal Agro

Given that multiple countries have their own beliefs, values, tastes and regulations. So to survive in global market with different localities of different country is quite difficult and especially for food companies.

**5. Conclusions**

The case is about one of the small scale export oriented business located in small town in Bardoli, Surat, India. The way a small entrepreneur started a venture in local market and then jumped into the foreign market by exporting in multiple countries with varied customer tastes and preferences. So far as food industry is concerned, government of domestic as well as foreign countries has become stricter in terms of food quality and price. In that situation, SWAD brand has multiple certifications for food safety and quality assurance like ISO, FPO BRC, Star Export House, and HALAL. Further case can be discussed on various strategies used in local markets like

advertisement in local newspaper and website advertisement. Further for going local to global, they are giving advertisement in different countries in their own language of SWAD brand. Moreover, they have packing and labeling in different languages to match up linguistic problems in various countries, also product is available at amazon.com and spandea. Further discussions can be done on various issues like how SWAD brand can be promoted more in foreign markets while facing major issues of multi culture and multiple tastes of consumers. What will be the future potential for increasing digital marketing strategies for SWAD brand?

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