

# CARGILL CASE STUDY

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## ABSTRACT

*This Study aims on framework of the several aspects associated to Distribution & Sales Management; with emphasis on customers, competitors, dealers and employees. The study shows some important impression of Cargill Foods in India, as well as in the Global Scenario. Started in 1865, Cargill is amongst large international providers of food, agriculture and risk management products. Cargill Refined Oils India imports, refines, retails and markets a wide range of vegetable oils and fats to wholesale trade, industrial and domestic consumers across India. In India Cargill vegetable oil refining facilities are located on east, west coast ports and western India. Refined Oils India markets a range of refined sunflower, olive, palm, soy and ground nut oils, hydrogenated fats and bakery shortenings under Cargill national brands, Gemini, Nature Fresh, Purita™, and other region-specific brands.*

## REVIEW

Case Description: Dairy products play an important role in a healthy diet, for its nutritional value. Milk and milk products naturally provide 15 important nutrients for standard growth and for the maintenance of healthy and refreshing life. Additionally, its unique nutritional value fortified with vitamin D. Consumed alone or in recipes, dairy products provide exceptional taste, texture, usefulness and variety.

Vanaspati ghee, a fully or partly hydrogenated vegetable cooking oil, regularly used as a low-priced substitute for ghee. In India, vanaspati ghee is generally made from palm oil. Hydrogenation is achieved using a catalyst known as "supported nickel catalyst", in reactors at low-medium pressure (3-10 bar). Vanaspati ghee is very high in trans fats, which may compose up to 50% of Vanaspati.

**Findings:** Sale of Gemini Vanaspati is low because there is low demand from the consumer side and also Dalda is cheaper than ours so consumer asks for Dalda. Our Major competitors are- Dalda, Mahakosh, Param, Gopal ji and some local brands like Khajoor, neelgagan, Brijmohan. Sale is depending on the area also as where people ask for specific brand only. Because of off season sales will decrease as there is no festival, Marriages etc. Discarding of goods from some other retailer or some other state is going on as complaint made by distributor.

**Questionnaire-1:** How did Cargill Foods India convince the retailers and wholesalers also to adapt to the technology integration? What were the challenges in getting their support and buy-in for Sales Force Automation?

**Solution-1:** For retailers and wholesalers, SFA is an already established technology used by many FMCG companies. The trust and confidence of retailers and wholesalers on SFA already exists as it brings a lot of transparency to the business.

**Questionnaire-2:** How Cargill Foods India is integrating technology to address the channel inefficiencies?

**Solution 2:** With SFA, Cargill Foods India has access to real-time data which can be analyzed to provide highly accurate and intelligent business inputs. We have placed regular

monitoring system and review mechanism to drive sales through SFA. All users have real time performance measurement in the SFA app itself thereby bringing transparency in the entire selling process. Besides the above, SFA also helps in bringing focus on the quality of reach for its brands and making its direct distribution transparent. This technology reduced a lot of time required earlier for collecting and placing the order and order tracking.

**Questionnaire-3:** What has been the impact of Sales Force Automation on Cargill Foods India business prospects? Has it yielded the desired benefits at the desired scale of operations?

**Solution 3:** SFA has helped Cargill Foods India in planning and analyzing the direct distribution of its brands. The real-time availability of accurate data has improved the decision-making process. With the implementation of this technology, the order-fulfillment data is readily available with us, giving us an opportunity to fulfill customer requirements on an impromptu basis. Today, Cargill Foods India is tracking its sale in over 1,60,000 outlets on a monthly basis through over 1,000 people on ground who are using this technology.

## CONCLUSION

Providing food product is a not everyone cup of tea. We cannot compromise in any aspect if we will try for it will be difficult to sustain in the market for a long term. FMCG companies have to provide that product which is not only fulfilling the rules and regulation of government but also satisfy the customer. Cargill's products do exactly that and that is why it is chosen by CONSUMER VOICE. Consumer VOICE- a government funded voluntary organization that works towards consumer awareness and education, conducted a laboratory test on seven well-known brands of refined sunflower oil. After verifying all possible parameters like colour, rancidity, adulteration and fatty acid profile, Naturefresh Actilite and Gemini, brands from the house of Cargill, were rated as the best quality and healthiest refined sunflower oils in the country. But still it is very tough for Gemini to become No-1 in very near future because of the typical mind set of Indian consumers. To achieve this position, Cargill first wanted to increase its product availability in the market and it did by the expansion of coverage area. Now company is working on advertisements which are telecasting in most of serials. It was a very big opportunity for any management student to work in such a big giant of a very huge industry.

The study was excellent and the learning was more than that. Cargill gave full freedom and ask to perform like a manager. It was great to get the knowledge how to manage a territory in an industry like FMCG. Learning was also valuable because meeting and working with such a big people of industry itself a big experience. The study was basically based on opening of new outlets but it consists so many things in it which we learnt like how to manage people, get maximum output, & to make a balance in sales. Gemini was a really nice product and it gave us knowledge that if a company's product is good then it does not have to worry for things and competitors.