

An Organization Study Report of
CADBURY INDIA PVT LTD

Submitted by

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USN – 1CR19MBA45

Submitted to

VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELAGAVI



In partial fulfillment of the requirement for the award of the degree of

MASTER OF BUSINESS ADMINISTRATION

Under guidance of

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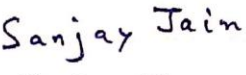
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CERTIFICATE BY THE INSTITUTION


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DECLARATION

I, **Ms. MEENA M** bearing **USN - 1CR19MBA45** hereby declare that the organization study conducted at **CADBURY INDIA PVT LTD** is record of independent work carried out by me under **Ms. NAMITA P KONNUR** the guidance of faculty of M.B.A Department of CMR Institute of Technology, Bengaluru. I also declare that this report is prepared in partial fulfillment of the university Regulations for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belagavi. I have undergone an organization study for a period of four weeks. I further declare that this report is based on the original study undertaken by me and has not been submitted for the award of any degree/diploma from any other University /Institution.

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Place: Bangalore
Date: 23rd sept 2020

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MEENA M

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EXECUTIVE SUMMARY

The project which I choose is on Cadbury Company which make Confectionary items and different types of chocolate products. The product which I choose is Cadbury Dairy Milk Chocolate. Cadbury is a Multinational Company and its business is worldwide. This project covers the following topics: The introduction and the history of the company, Strategic planning of the company like vision, Mission statement. This project also covers the Four P's of marketing (Product, Price, Place, and Promotional strategies). It also covers about the Positioning strategy like how company sets its positive position and in the minds of consumers. It also tells about logo, slogans and about the target market of this product. The survey was able to reinforce Dairy Milk's position as India's leading chocolate brand with 65% respondents having the brand at the top of their mind when talking of chocolates. A Fish Be in analysis also showed that Cadbury Dairy Milk was the most preferred brand amongst the consumers for both gifting and self-consumption purposes. From the results obtained from the study we were able to recommend a course of action that would help the company consolidate its leadership position in the country. Since the nature of the purchase is still largely impulse based the company must focus on effective in-store promotion and must also have attractive packaging to attract children. Looking at the indifference of the consumers to calorie content we think that the company does not need to launch a low-calorie product immediately to counter Kitkat Lite. However, we recommend launching additional variants to cater to different tastes of the consumer. In order to protect its brand image as a high quality chocolate manufacturer the company should introduce its premium range of chocolates so that it can maintain its brand image in the face of foreign competition especially for gifting purposes. At the last my conclusion about the whole marketing process of that company's product. I also give the reference of those websites which provides me relevant material. And the recommendations about this project.

CHAPTER 1
INTRODUCTION ABOUT THE ORGANIZATION &
INDUSTRY

Introduction about the Organization & Industry



An organization is a social arrangement which pursues collective goals, which controls its own performance, and which has a boundary separating it from its environment. Organization is the association formed by a group of people who see that there are benefits available from working together towards some common goal. Organization studies are the study of individual and group dynamics in an organizational setting, as well as the nature of organizations themselves. Whenever people interact in organizations, many factors come in to play. Organizational studies attempt to understand and model these factors. Organizational study is essential to any MBA graduate as it helps them to connect theory with practice.

Organization study refers to the study of organization as a whole and getting adequate knowledge with various departments in the organization. The study was carried out at Madras Engineering Industries, Chennai. This study is based on the different aspects and dimensions of different departments of the company the study was carried out at the Madras Engineering Industries, situated at Mahindra city, Chennai.

Organizational studies trace its roots to the advent of scientific management which arose in the 1890s. The height of the scientific management movement was highlighted by Taylor. After the First World War got over, it began to focus on how human interaction and psychology affects organizations. The Second World War led to a rationalistic approach in understanding organizational study. Today, organizational studies have become highly important because

people from different backgrounds have to interact with one another. In the current scenario people from diverse cultures, backgrounds and even educational levels have come together to form a team. In fact, it is not uncommon to see people with different cultural and ethnic backgrounds interact with one another and can help to better understand human interaction in such situations.

The organization study at Madras Engineering Industries aims at getting accustomed to the business environment of MEIL for a period of one month. The study will be conducted to understand the structure, function and process of various departments and their interdependence.

Cadbury India Limited, a subsidiary of Mondelez International Inc., has changed its name to Mondelez India Foods Limited. The Company is focused on creating delicious moments of joy that is encapsulated in its name – “monde” for world and “delez” for delicious. The change in name of Cadbury is in line with the gradual changeover of the name of all subsidiaries of Mondelez International globally.

The change in name of the company will have no impact on the names or packaging of its popular products like Cadbury Dairy Milk, 5 Star, Gems, Bournville, Perk, Celebrations, Choclairs, Halls, Bournvita, Tang and Oreo, which will continue to be sold under the same brand names as before. The only change consumers will experience is that the new name of the company will appear on the back of pack of the products.

Manu Anand, Managing Director, Mondelez India Foods Limited said, “With the change in name of the company to Mondelez India Foods Limited, we conclude the process of transition that began over two years ago. We are today the pre-eminent and most loved food company in India with leadership in fast growing categories, strong route to market, robust innovation pipeline and world class talent and facilities. We view this change as yet another milestone in this exciting journey of success and leadership. “We grew from strength to strength with new technology being introduced to make our confectionery business one of the most efficient in the world. For more than 100 years Cadbury was essentially a family business, although non-family directors were appointed for the first time in 1943. However, in 1962, the whole structure was re-organized and a publicly listed company established - Cadbury Limited.

In 1964, the company expanded into sugar confectionery with the acquisition of Pascall Murray, manufacturers of well-known brands such as Pascall Fruit Bonbons, Marshmallows and Chocolate Eclairs. Sugar confectionery brands now include Trebor Bassett, Barrett, Maynard, Sharps and Pascall.

The 1969 merger of the Cadbury Group with Schweppes, and the subsequent development of the business, led to Cadbury Schweppes becoming a major force in the international market.

Cadbury India Ltd is a subsidiary of the Krafts Group. Chocolate confectionary, Beverages, Biscuits, Gum and Candy are the different categories the company operates

The operations of Cadbury India initiated in 1948. It has five manufacturing units all over India at Thane (Maharashtra), Induri (Maharashtra), Malanpur (Madhya Pradesh), Bangalore (Karnataka) and Baddi (Himachal Pradesh). It has one cocoa operations office at Dharapuram (TamilNadu)

Cadbury India has a share of over 70% in the market, which is the highest Cadbury brand share globally. Cadbury India's one of the most popular brands, Cadbury Dairy Milk is a benchmark for other chocolates in India and is regarded as the "gold standard".

Some of the other popular brands are 5 Star, Perk, Bournville, Celebrations, Halls, Éclairs, Tang and Oreo. The main brand in the Milk Food drinks segment is Bournvita, which is known as the leading Malted Food Drink (MFD) in the country. In the medicated category, Halls is a favorite candy while Cadbury India has also entered the biscuits category by launching World's no.1 biscuit brand Oreo.

Cadbury has also been the leaders in the development of cocoa cultivation in India since 1965. The research work has been carried out in collaboration with the Kerala Agricultural University. The team from Cadbury also conducts training sessions for the cocoa farmers on cultivation aspects to have an increased cocoa productivity.

CHAPTER 2
ORGANIZATIONAL PROFILE

Organizational profile



Back ground:

John Cadbury (12 August 1801 – 11 May 1889) was an English proprietor and founder of Cadbury, the chocolate business based in Birmingham, England.

John Cadbury was born in Birmingham on 12 August 1801 to Richard Tapper Cadbury and his wife Elizabeth Head. He was from a wealthy Quaker family that moved to the area from the west of England. John went to school at Joseph Crosfields Quaker School at Hartshill, Warwickshire.[1] As a Quaker in the early 19th century, he was not allowed to enter a university, so could not pursue a profession such as medicine or law.

As Quakers are historically and typically pacifist, a military career was also out of the question.

So, like many other Quakers of the time, he turned his energies toward business and began a campaign against animal cruelty, forming the Animals Friend Society, a forebear of the Royal Society for the Prevention of Cruelty to Animals. The family provided job opportunities and good working conditions for their employees.[2]

Meanwhile, Cadbury's manufacturing enterprise prospered. His brother Benjamin joined the business in 1848 and they rented a larger factory on Bridge Street. Two years later, in 1850, the Cadbury brothers pulled out of the retail business, leaving it in the hands of John's son, Richard Barrow Cadbury (Barrow's remained a leading Birmingham store until the 1960s).

Cadbury married twice. He married Priscilla Ann Dymond (1799–1828), in 1826, but she died two years later. In 1832 he married his second wife, Candia Barrow (1805–1855)[3] and had seven children: John (1834–1866), Richard (1835–1899), Maria (1838–1908), George (1839–1922), Joseph (1841–1841), Edward (1843–1866), and Henry (1845–1875).[citation needed]

Benjamin and John Cadbury dissolved their partnership in 1860. John retired in 1861 due to the death of his wife, and his sons Richard and George succeeded him in the business.[4] In 1879 they relocated to an area of what was then north Worcestershire, on the borders of the parishes of Northfield and King's Norton centered on the Georgian-built Bourn brook Hall, where they developed the garden village of Bourneville; now a major suburb of Birmingham.

The family developed the Cadbury's factory, which remains the main UK manufacturing site of the business. The district around the factory has been dry for over 100 years, with no alcohol being sold in pubs, bars or shops. Residents have fought to maintain this, winning a court battle in March 2007 with Britain's biggest supermarket chain Tesco, to prevent it selling alcohol in its local outlet

Cadbury has had a long and successful journey in India. In 1946 Cadbury started its first production operation in Mumbai¹²which

was later shifted to Thane¹³. Cadbury India Private Limited was established in 1948 in India as a subsidiary of Cadbury Plc. Based in United Kingdom. In 1964, Cadbury India chose to setup a new plant near Pune¹⁴to stimulate new methods in chocolate production as well as to be

able to improve and expand the milk yield. The company delved in cocoa farming in India to

diminish dependence on imported cocoa beans. In 1981-82, a fresh chocolate manufacturing unit was set up in the same area. In 1989, the company set up a plant at Malanpur¹⁵,

Madhya Pradesh¹⁶, which was in a remote area to reap the benefits of setting up manufacturing units¹⁷ in the backward areas. Since 1995, Cadbury's dependence on Malanpur plant had increased. The Malanpur plant has updated amenities for various product categories such as Gems, Eclairs etc. The company has launched new products periodically to expand its product portfolio. (See Exhibit 5 for Company's timeline)

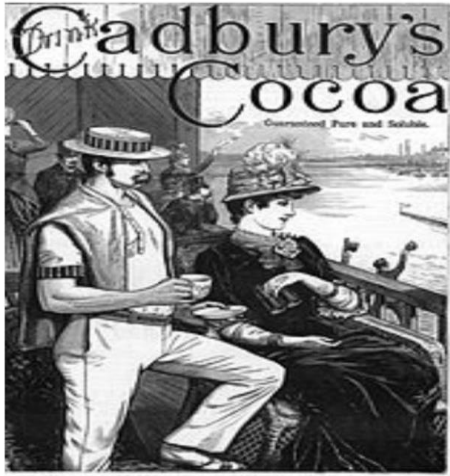
The business became a private limited company - Cadbury Brothers Limited - in 1899 following Richard Cadbury's sudden death at the age of 63.

George Cadbury became chairman of the new board and his fellow directors were Barrow and William A. Cadbury, sons of Richard and two of his own sons, Edward and George Cadbury Junior.

By 1899, the Bournville factory had trebled in size with more than 2,600 employees. With the formation of the limited company, Bournville entered a new era as the younger members of the Board introduced new ideas - analytical laboratories, advertising and cost offices, a sales department, works committee, medical department, pension funds, education and training for employees.

The Bournville factory site became a series of factories within a factory, as everything needed for the business was produced on site, including tin box pressing plants, carton making units, a design studio and printing plant.

This policy continued until well after the Second World War when the rationalization of the business to mainstream activity - production and marketing of chocolate confectionery- led to the use of outside specialized suppliers for ancillary items.



An 1885 advertisement for Cadbury's Cocoa



The packing room at Bournville, circa 1903

Nature of business

The food industry is a complex, global collective of diverse businesses that supplies most of the food consumed by the world's population.[citation needed] Only subsistence farmers, those who survive on what they grow, and hunter-gatherers can be considered outside the scope of the modern food industry.

The food industry includes:

- Agriculture: raising crops, livestock, and seafood
- Manufacturing: agrichemicals, agricultural construction, farm machinery and supplies, seed, etc.
- Food processing: preparation of fresh products for market, and manufacture of prepared food products
- Marketing: promotion of generic products (e.g., milk board), new products, advertising, marketing campaigns, packaging, public relations, etc.
- Wholesale and food distribution: logistics, transportation, warehousing Foodservice (which includes catering) Grocery, farmers' markets, public markets and other retailing
- Regulation: local, regional, national, and international rules and regulations for food production and sale, including food quality, food security, food safety, marketing/advertising, and industry lobbying activities
- Education: academic, consultancy, vocational
- Research and development: food technology
- Financial services: credit, insurance

Food processing



The food industry is a complex, global collective of diverse businesses that supplies most of the food consumed by the world's population.[citation needed] Only subsistence farmers, those who survive on what they grow, and hunter-gatherers can be considered outside the scope of the modern food industry.

Food processing includes the methods and techniques used to transform raw ingredients into food for human consumption. Food processing takes clean, harvested or slaughtered and butchered components and uses them to produce marketable food products. There are several different ways in which food can be produced.

One-off production: This method is used when customers make an order for something to be made to their own specifications, for example a wedding cake. The making of one-off products could take days depending on how intricate the design is.

Batch production: This method is used when the size of the market for a product is not clear, and where there is a range within a product line. A certain number of the same goods will be produced to make up a batch or run, for example a bakery may bake a limited number of cupcakes. This method involves estimating consumer demand.

Mass production: This method is used when there is a mass market for a large number of identical products, for example chocolate bars, ready meals and canned food. The product passes from one stage of production to another along a production line.

Industry influence: The food industry has a large influence on consumerism. Organizations, such as The American Academy of Family Physicians (AAFP), have been criticized for accepting monetary donations from companies within the food industry, such as Coca-Cola. These donations have been criticized for creating a conflict of interest and favoring an interest such as financial gains.

Vision Mission, Quality policy

Mission

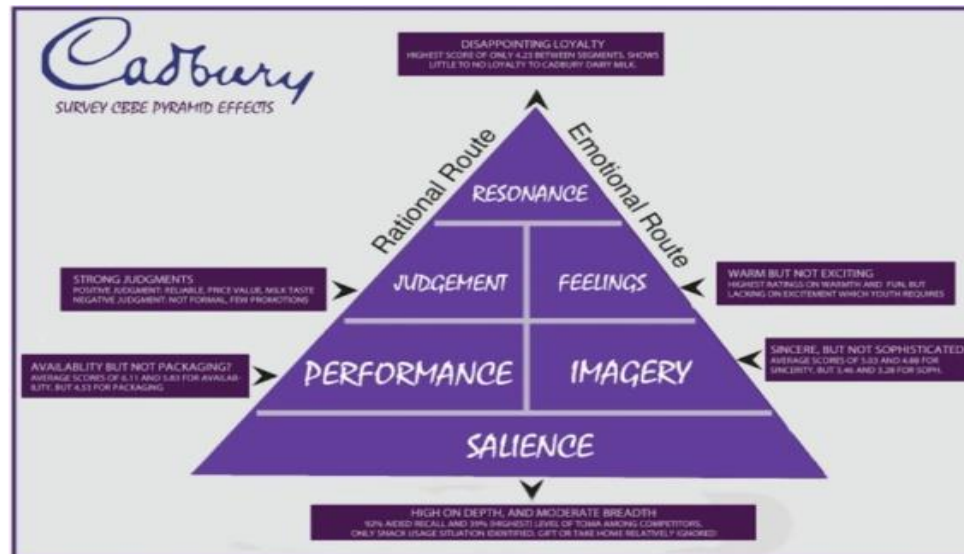
To create and sustain flourishing communities where people choose to live.

- By promoting new social housing of good quality which enhances the environment.
- By managing housing stock and estates to the highest standard for all residents.
- By encouraging residents to share in decisions affecting their communities.

Vision

- Promotion of brands carrying mass franchise without compromise on quality or margins.
- Increasing the market depth including rural India's coverage. (so far in case of chocolates, rural areas are not covered)
- Better product quality and packaging.
- All-round efficient utilization of tangible as well as intangible assets such as brands and people.
- Efficient working capital management
- Depreciation charge to meet the CAPEX needs every year.
- Surplus cash so generated to be either gainfully and meaningfully reinvested in business or return to stakeholders.

Cadbury Values



We are performance driven, values led. Throughout changing times, our constant values have inspired us to be pioneers in business and in corporate responsibility. They help ensure we are proud of our company and are critical to our core purpose of creating brands people love.

Performance We are passionate about winning. We compete in a tough but fair way. We are ambitious, hardworking and make the most of our abilities. We are prepared to take risks and act with speed and quality. We put quality and safety at the heart of all our activities - our products, our people, our partnerships and our performance and respect. We genuinely care for our business and our colleagues. We listen, understand and respond. We are open, friendly and welcoming. We embrace new ideas and diverse customs and cultures.

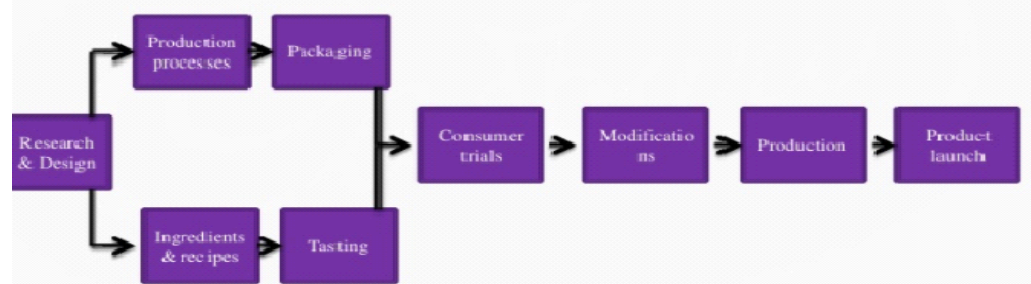
We always strive to do the right thing. Honesty, openness and being Straightforward characterize the way we do business. We have clear principles and do what we say we will do.

Responsibilities We take accountability for our social, economic and environmental impact. In this way we aim to make our business, our partners and our communities better for the future. Our Business Principles are our code of conduct and also take account of global and local cultural and legal standards. They confirm our commitment to the highest standards of ethics and business conduct.

Core purpose: Our core purpose is creating brands people love. The core purpose captures the spirit of what we are trying to achieve business.

Workflow model

Flow Chart of Process Analysis at Cadbury



Research and design

A research design is the set of methods and procedures used in collecting and analyzing measures of the variables specified in the problem research. The design of a study defines the study type (descriptive, correlation, semi-experimental, experimental, review, meta-analytic) and sub-type (e.g., descriptive-longitudinal case study), research problem, hypotheses, independent and dependent variables, experimental design, and, if applicable, data collection methods and a statistical analysis plan. A research design is a framework that has been created to find answers to research questions.

Production process

In production planning, the first decision involves which type of production process—the way a good or service is created—best fits with company goals and customer demand. An important consideration is the type of good or service being produced, because different goods may require

different production processes. In general, there are three types of production: mass production, mass customization, and customization. In addition to production type, operations managers also classify production processes in two ways: (1) how inputs are converted into outputs and (2) the timing of the process.

Ingredients and recipes

A recipe is a set of instructions that describes how to prepare or make something, especially a dish of prepared food. The term recipe is also used in medicine or in information technology (e.g., user acceptance). A doctor will usually begin a prescription with recipe, Latin for take, usually abbreviated as Rx or the equivalent symbol.

Packaging

Packaging is the science, art and technology of enclosing or protecting products for distribution, storage, sale, and use. Packaging also refers to the process of designing, evaluating, and producing packages. Packaging can be described as a coordinated system of preparing goods for transport, warehousing, logistics, sale, and end use. Packaging contains, protects, preserves, transports, informs, and sells. In many countries it is fully integrated into government, business, institutional, industrial, and personal use.

Tasting

An event where you can taste small amounts of different foods and drinks to decide if you like them.

Consumer trials

Consumer trials are an important part of a new product launch. Product trials and samples give consumers an opportunity to try a product with no risk before they consider it for long-term use, according to marketing consultancy Launch Engineering. To induce consumers to try a product, marketers may offer free samples in stores or other outlets, invite prospects to an event where the product is available or distribute coupons that consumers can redeem with their first purchase of the product.

Modification

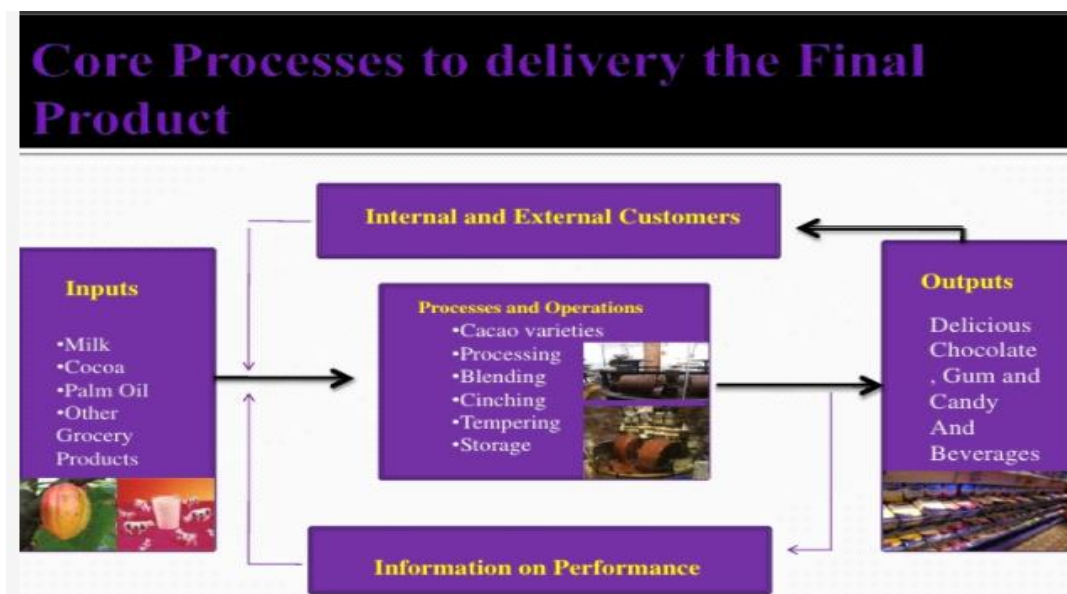
a change to something, usually to improve it: Modification of the engine to run on lead-free fuel is simple. A couple of modifications and the speech will be perfect.

Production

Since the primary purpose of economic activity is to produce utility for individuals, we count as production during a time period all activity which either creates utility during the period or which increases ability of the society to create utility in the future.

Product launch

A product launch refers to the process of introducing a new product to the marketing. It indicates the point at which consumers first have access to a new product. A product launch is integral for any business that creates and offers items for public consumption, as it can determine whether or not a product will be well-received. In this article, we offer an overview of the product launch process.



PRODUCT PROFILE

- **The manufactures of Cadbury India in the chocolates brand are:**

Cadbury Dairy Milk: Its journey in India began in the year 1948. Other than the most popular Cadbury Dairy Milk, there are other variants in the brand as Fruit & Nut, Crackle, Roast Almond, Cadbury Dairy Milk Wowie, and Cadbury Dairy Milk 2 in 1.



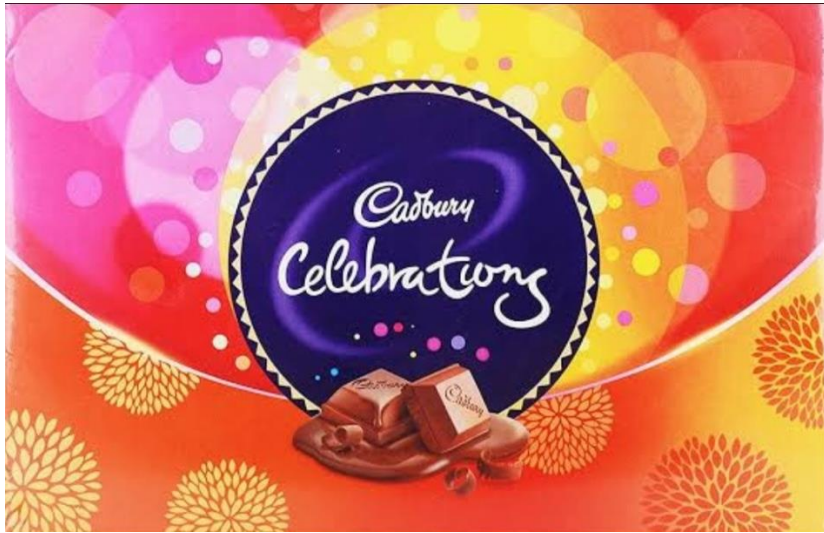
5 Star: This chocolate bar was launched in 1969. It is the second largest chocolate brand after Cadbury Dairy Milk with a market share of 14%. Cadbury 5 Star Crunchy and Cadbury 5 Star Fruit and Nut are the variants in this brand.



- **Perk:** Cadbury Perk was launched in 1996. The brands launched later are Perk XL and Perk XXL.



- **Celebrations:** Cadbury Celebrations brand was launched with a target of replacing the conventional gift items as sweets etc. on occasions like Diwali, Rakhi etc.



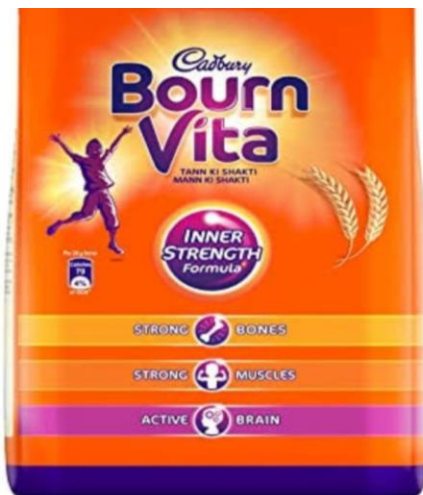
- **Caramels: Éclairs** The Cadbury Dairy Milk Éclairs is one of the most popular brands in the Éclairs category. The newly launched brand in this category is the Cadbury Éclairs Rich Brownie.



- **Gems:** This brand was launched in 1968 and is one of the most popular brands among the kids.



- **Beverages: Cadbury Bournvita** It was launched in India in 1948. It is one of the oldest brands in the category of Malt Based food. Bournvita Li'l Champs: This is an ideal milk additive product for the children launched in 2008 with key ingredients for proper growth as DHA, whey protein etc.



- **Candy: Halls** was included in the Cadbury Brand in the year 2003 as a part of the global unification with Adams Confectionery.



- **Biscuits: Oreo** It was launched globally in the year 1912. It was launched in the Indian market in 2011.



- **Gums: Bubbaloo** This gum with a bubbly taste was launched in India in the year 2007.



- **Chocolates: Bournville** is a brand of dark chocolate produced by Cadbury. The brand is widely available throughout the United Kingdom and has a minimum 36% cocoa content there.



Achievements / awards

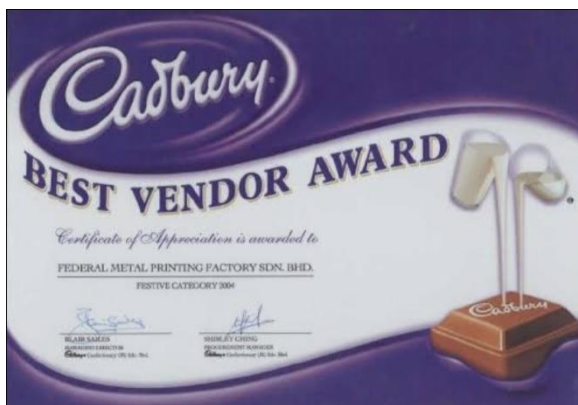
2020

- India's Favorite Chocolate Brand – Cadbury Dairy Milk was awarded the Most Trusted Brand, as per The Economic Times - Brand Equity
- Bournvita, 5Star and Oreo also featured in the Top 100 list of the Most Trusted Brand, as per The Economic Times- Brand Equity
- The Shubh Aarambh Program won the Best CSR Practice Award at the ET NOW World CSR Day Congress & Awards
- Corporate & Government Affairs team won a Gold Award under the Best Internal Communications Campaign at the Economic Times - Brand Equity's Kaleido Awards 2020

2019

- ET Brand Equity has ranked Cadbury Dairy Milk as the 3rd Most Trusted Brand in the country
- Mondelez India presented with a EY Certification for being Carbon Positive, Water Positive and Zero Waste to Landfill
- Cadbury Dairy Milk's Generosity campaign won a Silver at APAC Effie 2019
- Team CGA bags a Bronze Award, under Best Campaign in Consumer Products, at The Economic Times- Brand Equity's Kaleido Awards for '70 Years of Joy' Campaign
- Team CGA bags a Silver Abby, under Corporate PR category, in Goa Fest 2019, for '70 Years of Joy' Campaign
- Mahalakshmi R. declared as the 'Woman HR Leader of the Year' by Business World Magazine Our Customer - Flipkart Grocery identifies us as Best FMCG fill rate partner Second time in a row. Frost & Sullivan and TERI Sustainability 4.0 Awards 2019
- TEAM CGA Makes us proud yet again...Two Certificates of Excellence at The SABRE Awards 2019 South Asia, for the 70 years campaign NIELSEN Selects... to be featured in the India Top 25 Innovations list
- TEAM CGA Makes us proud yet again... Gold Fulcrum Award- BEST use of Internal Communications for 70 years celebrations

- TEAM SRICITY shines at... 5th Annual Chapter Convention of Quality concepts (CCQC), QCFI (Quality circle forum of India)- with 7 GOLD AWARDS
- CFO Power List 2019 – proudly features... Pratyush Mittal, Director- Finance, IndiaET Young Leaders proudly features... Vignesh Seetharaman, Branch HR Manager – South, India
- Top 10 Data Scientists at Cypher 2019... Saurabh Awasthi, Data Science- Cocoa & Chocolate, Global Raw Materials. Our Cocoa Colleagues Shine in YSR Horticulture University, AP's technical tests Team Sricity Shines, with 7 Golds... at the 5th Annual Chapter of Quality Concepts (CCQC), Quality Circle Forum of India (QCFI)
- Mondelez India- 'The Changemaker' By our NGO Partner – Save the Children India, for being a champion for India's most vulnerable children
- The Most Admired Brand Retail Partnership of the Year First Runners-up Position at the Golden Spoon Awards



Future growth and prospects

Future Plans Cadbury India expects strong growth in India in future. The company plans to increase the franchise of its existing brands and continue to explore new product opportunities including adjacent market opportunities. Cadbury India is also looking for more opportunities in the SAARC region. Cadbury India Ltd.

- At a glance Cadbury: No.1 confectionery and third largest soft drinks company in the world. Presence across 200 countries. 55,000 employees worldwide
- Cadbury in India: Presence for over 50 years. Market leader in the chocolate confectionery market.
- Factors for success: extensive distribution network, strong brands, customization to Indian market.
- For Cadbury, India is: huge potential market, source of managerial talent• Future plans, India: To explore larger portfolio for growth. To look for opportunities in10

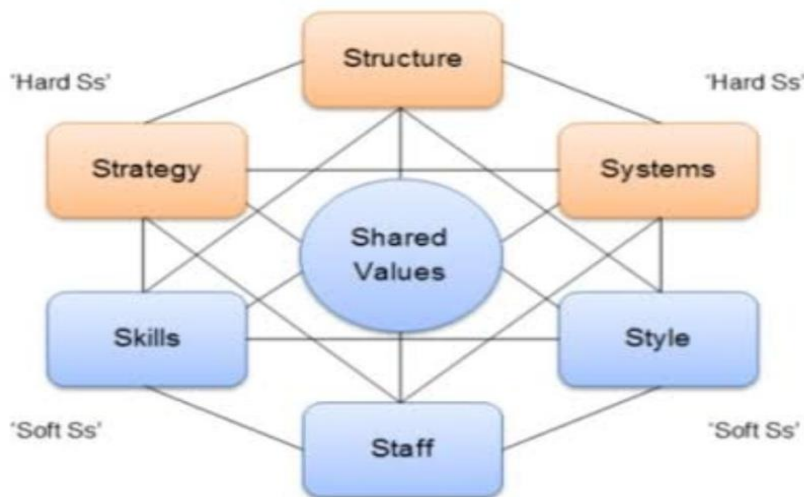
CHAPTER 3

MCKENSY'S 7S FRAMEWORK

& PORTER'S FIVE FORCE MODLE FOR CADBURY

McKenny's 7S framework :

Definition: The McKinsey 7S Model is a framework for organizational effectiveness that postulates that there are seven internal factors of an organization that need to be aligned and reinforced in order for it to be successful.



McKinsey 7s Model Strategic Implementation

Most of us grew up learning about 'the 4Ps' of the marketing mix: product, price, place, promotion. And this model still works when the focus is on product marketing. However most developed economies have moved on, with an ever-increasing focus on service businesses, and therefore service marketing. To better represent the challenges of service marketing, McKinsey developed a new framework for analyzing and improving organizational effectiveness, the 7S model:

The 3Ss across the top of the model are described as 'Hard Ss':

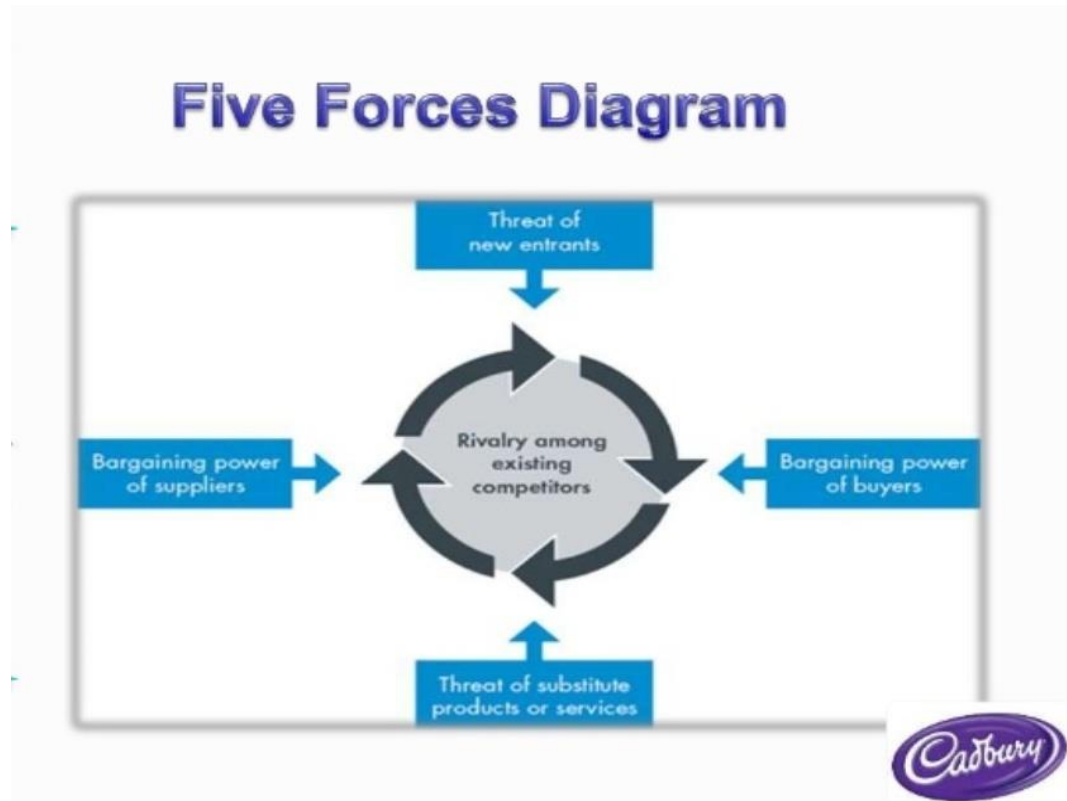
- **Strategy:** Increase depth of consumption, targeting regular chocolate consumers through generating impulse and dominant presence at point of sale. Increase width of chocolate consumption through low price point packs.
- **Structure:** Cadbury follows a downward flow. Decision making is at the top level management. The flow of information is from top level management.
- **System:** MIS activities & strategies result in making products available that satisfy customer. Focus on what the customer wants is essential to successful marketing efforts.

The 4Ss across the bottom of the model are less tangible, more cultural in nature, and were termed 'Soft Ss' by McKinsey:

- **Skills:** The capabilities and competencies that exist within the company. What it does best. Brand awareness, Strategic alliances
- **Shared values:** The values and beliefs of the company. Ultimately, they guide employees towards 'valued' behavior. Ethical sourcing, Environment stewardship, Community involvement.
- **Staff:** The company's people resources and how they are developed, trained, and motivated. 70,000+ employees, clearly defined procedures and roles, staff respect.
- **Style:** The leadership approach of top management and the company's overall operating approach. Innovative, flexible and team oriented.

PORTER'S FIVE FORCE MODEL FOR CADBURY

Five Forces model of Porter is a strategy tool that is used to make an analysis of the attractiveness of an industry structure. The Competitive Forces analysis is made by the identification of 5 fundamental competitive forces:



1. Entry of competitors

The entry of competitors will be difficult because there are already well established companies within this market these include, mars, nestle, Ferrero, Kraft, Hershey's and Lindt. These companies dominate the confectionary market with their own particular types of chocolates. This makes the barrier for entry very hard for another new company to start Cadbury's competitors have the power to attract and influence the customers by more attractive substitute, prices and marketing techniques.

2. Threat of substitutes

The main threat of substitutes which Cadbury's and any other confectionary brand is the supermarket own brands this is because they tend to copycat popular chocolates for example nestle Kit Kat and provide their own brand on the shelves at a cheaper price. Moreover, the only hindrance that might affect the production of Cadbury is to find a good location and gather the requirements for the smooth entry and the foreign policy that might affect its operation.

3. Bargaining power of buyers

For Cadbury's they have a large buying power being one of the largest confectionary producers in the world, but this may be threatened due to the June 2006 recall of chocolate bars which contained salmonella this has been said to affect Cadbury's and should lose some of their buying power. However Cadbury's buyers are scattered all around the world and they are in billions. The price subjectivity of the products is not a question for the people but the increasing number of competitors that offers the same type of products at a lower cost might be the cause of customer loyalty alteration. Thus Cadbury has to be very precautious in deciding about prices and keep the customers satisfied.

4. Bargaining power of suppliers

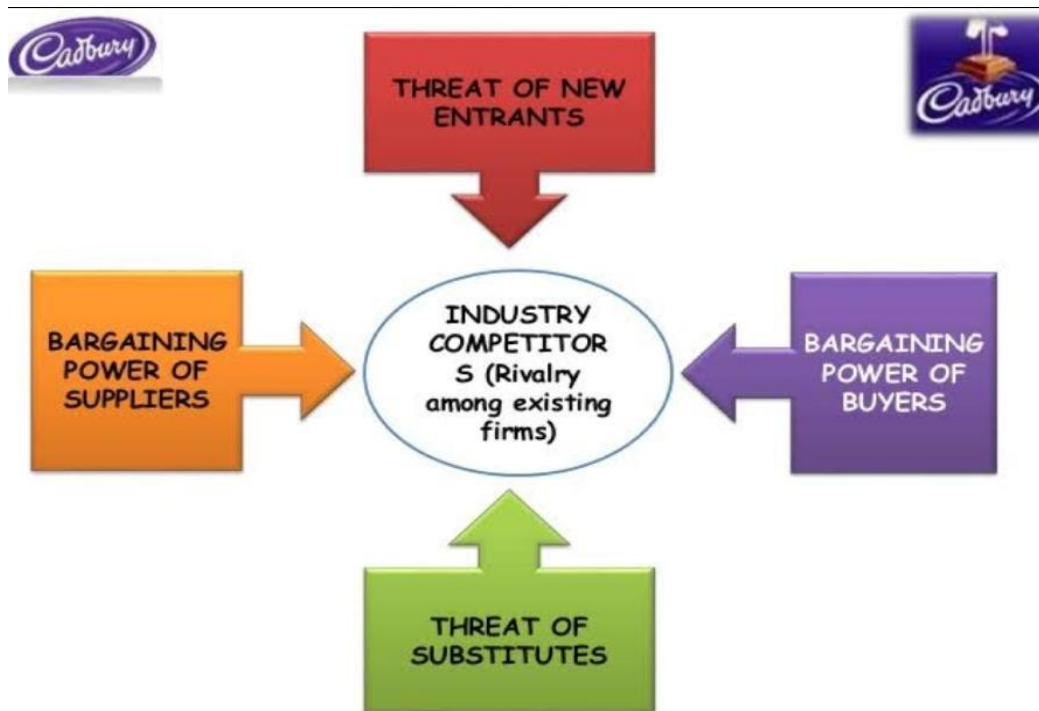
Cadbury prides itself on creating and maintaining positive relationships with its suppliers all over the world. It has a large purchasing power and the suppliers of agricultural commodities offer a product that is far from unique and hence Cadbury has higher bargaining power than its suppliers as the industry relies heavily on a complex agro business supply chain. Although there is an existing competition, raw materials like nuts, milk, cocoa or special ingredients are sufficient enough to satisfy Cadbury's production. Cadbury's have the main power over its suppliers because they are so large companies supplying them need their business so Cadbury's can use economies of scale and buy there raw materials for cheaper and more in bulk than a medium sized business could.

5. Rivalry among the existing players

Many businesses are competing against Cadbury and planning to take over the supremacy the company has for several years. Several competitors are continuously developing their products and innovating ideas to make competing even harder. Companies such as Nestle, Hershey's, Ferrero etc. are Cadbury's main rivals because they are also long-established confectionary brands and like Cadbury are developing new ranges of products new promotions. Rivalry will always be strong among these companies because they sell from the same types of stores and there products are similar in some respects.

CHAPTER- 4
SWOT ANALYSIS

SWOT ANALYSIS



In order to understand the strengths and weaknesses of the brand as such I have carried out the SWOT analysis of the brands, as it exists today. The SWOT analysis would give indications as to how the marketing strategies should be planned. As talked about earlier, the chocolate market is on the growth stage of the life cycle. Hence it is important that the brand is marketed aggressively and its image is modified in such a way that it can differentiate itself from the clutter of other brands that exist in the market today. In order to carry out the SWOT analysis various people were consulted and inputs were obtained from the actual users.

A very peculiar characteristic of the chocolate consumers as we found is that there is an overwhelming awareness among the users about different brands that exist in the market. There is however very little brand loyalty in users. People always are ready to try out new brands and keep on switching from one brand to another. This behavior poses lot of challenge, as the job of designing of marketing strategies becomes two fold. Firstly non-users are to be converted to users and more importantly the existing customers should are not be lost. The SWOT analysis has been done of three major companies i.e. Cadburys, Amul, and Nestle. They are the major

players that cover approximately 95% of Indian chocolate market. The analysis will help to know what measure the chocolate companies in Indian markets stake.

SWOT analysis is a vital strategic planning tool that can be used by Indian Oil managers to do a situational analysis of the firm. It is a handy technique to evaluate the present Strengths (S), Weakness (W), Opportunities (O) & Threats (T) Indian Oil is facing in its current business environment.

The SWOT Analysis framework enables an organization to identify the **internal strategic factors** such as -strengths and weaknesses, & **external strategic factors** such as - opportunities and threats. It leads to a 2X2 matrix – also called **SWOT Matrix**.

SWOT analysis of Cadbury's

STRENGTHS



The first strength Cadbury PLC has is the advantage of numbers considering the organization has business units all over the world. The units are present in Britain, Ireland, Middle East, Africa, north and South America, Europe, Asia and the pacific (King 1). All the units have commercial inclinations as their principle driving force, but the units also do have supply chain and science and technology functions. The interior organization of Cadbury PLC creates room for four corporate functions in all the units.

The functions are human resource & corporate affairs, strategy, information technology, legal and secretariat. This kind of functional structure allows for the business units to focus on commercial programs while aiming at internal growth (Leikin 1). Cadbury PLC also has the advantage of having internationally well-known and respected brand names. The goodwill of the brands generates approximately 50% of the organization's revenue and this implies that the brand bears higher profitability than the confectionary collection.

1. Cadbury is a company, which is reputed internationally as the topmost chocolate provider in the world.
2. The brand is well known to people & they can easily identify it from others.
3. Cadbury the world leaders in chocolate, is a well-known force in marketing and distribution.
4. Users have a positive perception about the qualities of the brand.
5. Cadbury main strength is Dairy milk. Dairy milk is the most consumed chocolate in India.
6. By using popular models like Cyrus Brocha. Preety Zinta and other Cadburys has managed to portray a young and sporty image, which has resulted in converting buyers of other brands to become its staunch loyalists.
7. Cadbury has well-adjusted itself to Indian custom.
8. It has properly repositioned itself in India whenever required i.e. from children to adults, togetherness bar to energizing bar for young ones etc.

WEAKNESSES



1. There is lack of penetration in the rural market where people tend to dismiss it as a high end product. It is mainly found in urban and semi-urban areas.
2. It has been relatively high-priced brand, which is turning the price conscious customer away.
3. People avoid having their chocolate thinking about the egg ingredients.

OPPORTUNITIES



The confectionary market is the fastest growing packed food market with a 5% p.a growth rate meaning Cadbury still has various unexploited markets like China, India and Russia where consumer wealth is increasing directly proportional to the population (Miller 16). There is also increased demand of confectionary products in such growing markets. The confectionary industry has over the recent years witnessed several successful mergers and acquisitions. Targeted acquisition will increase the market

share and product diversification. There is an increased demand for healthier low calories snacks which could lead to new products for instance organic snacks, sugar free snacks or low fat confectionary products crating room for innovation.

1. The chocolate market has seen one of the greatest increases in the recent times (almost @ 30%)
2. There is a lot of potential for growth and a huge population who do not eat chocolates even today that can be converted as new users.

THREATS



There is a rising occurrence of obesity in both adults and children which has led to increased weight watching and need for healthy foods and lifestyle. The social changes in nutrition and lifestyle have definitely affected the demand of Cadbury products (Watson 1). Aggressive competition from other confectionary organizations in developed markets has led to possible price wars between the companies. The global demand for cost reductions in environment, transport, energy and supply has threatened to incapacitate the operational structure of Cadbury.

1. There exists no brand loyalty in the chocolate market and consumers frequently shift their brands.
2. New brands are coming and existing brands are introducing new variants to add up to an already overcrowded market.

CHAPTER 5
ANALYSIS OF FINANCIAL STATEMENT

Analysis of financial statement

Balance Sheet

All numbers in thousands

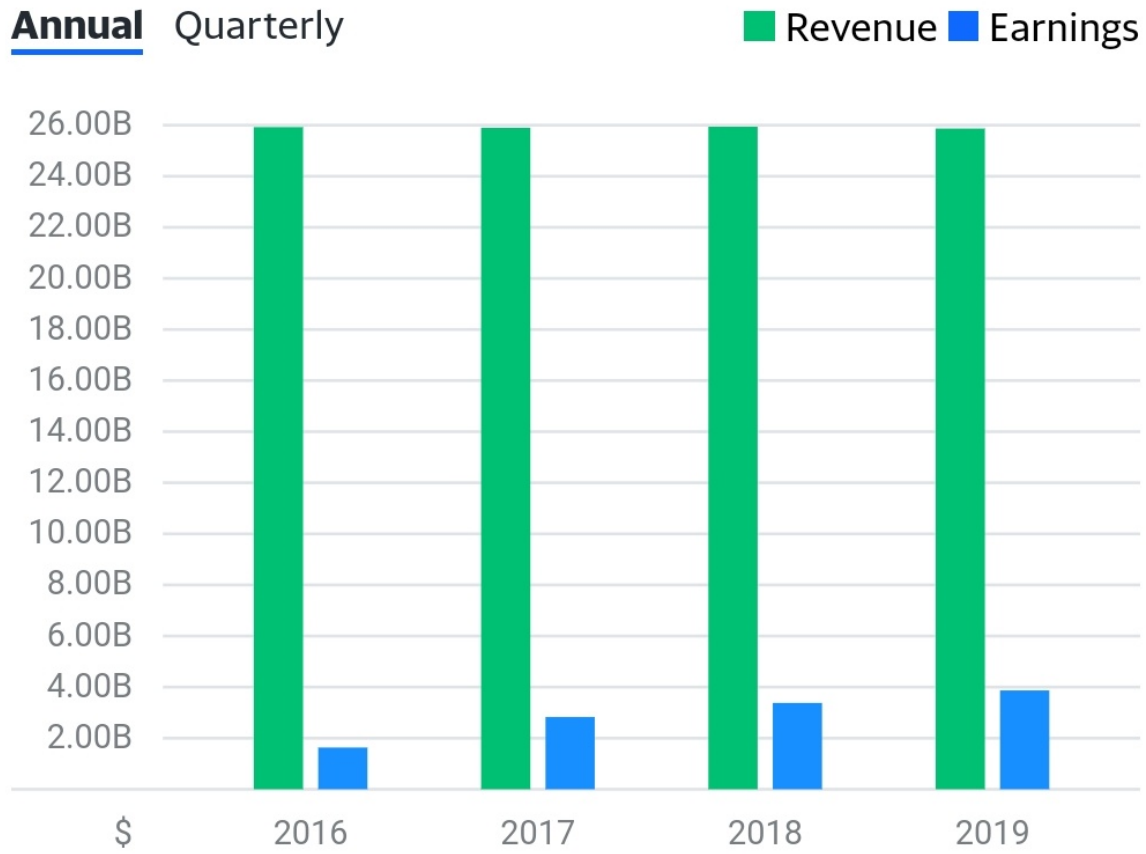
Breakdown	12/30/2019
> Total Assets	64,549,000
> Total Liabilities Net Minority ...	37,198,000
> Total Equity Gross Minority I...	27,351,000
Total Capitalization	41,482,000
Common Stock Equity	27,275,000
Capital Lease Obligations	403,000
Net Tangible Assets	-11,530,000
Working Capital	-7,692,000
Invested Capital	45,701,000
Tangible Book Value	-11,530,000
Total Debt	18,829,000
Net Debt	17,135,000
Share Issued	1,996,538
Ordinary Shares Number	1,435,006
Treasury Shares Number	561,532

Balance Sheet



All numbers in thousands

Breakdown	12/30/2018
> Total Assets	62,729,000
> Total Liabilities Net Minority ...	37,016,000
> Total Equity Gross Minority I...	25,713,000
Total Capitalization	38,169,000
Common Stock Equity	25,637,000
Capital Lease Obligations	-
Net Tangible Assets	-13,090,000
Working Capital	-9,133,000
Invested Capital	44,009,000
Tangible Book Value	-13,090,000
Total Debt	18,372,000
Net Debt	17,272,000
Share Issued	1,996,538
Ordinary Shares Number	1,451,000
Treasury Shares Number	545,538



Conclusion

Forecast financial statements for Cadbury for Year 3 using the assumptions below, and answer the questions that follow.

1. Sales growth of 19%.
2. The cost of debt is 2.57% of last period's long-term debt.
3. The tax rate is 35%.
4. The depreciation rate is 20%.
5. CAPEX is £260 million.
6. The following accounts are held constant: Intangible Assets and Common Stock.
7. Long-term debt is the PLUG variable

- **Profit and loss:** Popular Cadbury brand of chocolates, posted 47 per cent growth in net profit during 2017-18 financial year. The firm's profit rose to Rs 3.26 billion year-on-year from Rs 2.22 billion. Its revenue stood at Rs 61.2 billion, 6 per cent higher than Rs 57.5 billion in 2016-17. While it was higher than the previous two financial years, records reveal Mondelez's sales remained lower than the 2014-15 level when it had raked in Rs 65.1 billion in sales.
- **Cash flow:** Net cash and cash equivalents in the continuing group includes overdraft balance of \$152 million . There are no cash and cash equivalents included in assets held for sale. The company had no cash flows and therefore a cash flow statement is not presented.

CHAPTER 6
LEARNING EXPERIENCE

LEARNING EXPERIENCE

Every student doing a professional course needs to undertake internship of organization study in his respective field, which gives him a chance to explore his skills and suit himself in the work environment.

The objective of the internship of organization report is to benefit both the students as internship on organizational study as well as the company for which the students are preparing report. The students get to learn the basics of their education and then turning into realities, The internship of organizational study also helps a student to judge himself, whether he would be able to adjust in the environment or not.

The organization study about “CADBURY INDIA PRIVATE LIMITED” has given me the opportunity to gain valuable industry related experience that would allow me to expand my career options. The skills and knowledge I gained was quite vast. The guidance, support, feedback, useful suggestions and advanced insights about my subject which was provided by my project guide helped me to successfully complete this Organizational Study.

It has given wide way of studying about the food industry in India. With its aspects of running successfully over the many years. It is magnificent experience to be with very much informative in knowing about the organizational environment.

The organizational study definitely broadened my mind. Had a great working environment at “CADBURY INDIA PRIVATE LIMITED”

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WEEKLY PROGRESS REPORT

Student Name	MEENA M
USN	1CR19MBA45
Title of the Study	An organization on Cadbury India Pvt Ltd
Organization	Cadbury India Pvt Ltd
WEEK-1	
Duration (start date - End date)	6.8.2020 - 12.8.2020
Chapter s covered	Chapter 1 and Chapter 2
Descriptions of activities performed during the week	Introduction to organization, Industry profile and company profile
WEEK-2	
Duration (start date - End date)	13.8.2020 - 18.8.2020
Chapter s covered	Chapter 3
Descriptions of activities performed during the week	McKensy's 7S framework, Porter's Five Force Model.
WEEK-3	
Duration (start date - End date)	19.8.2020 - 26.8.2020
Chapter s covered	Chapter 4 and Chapter 5
Descriptions of activities performed during the week	SWOT Analysis and analysis of financial statements
WEEK-4	
Duration (start date - End date)	27.8.2020 - 30.8.2020
Chapter s covered	Chapter 6
Descriptions of activities performed during the week	Learning experience and Bibliography



Signature of the Guide



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