

Chapter 2

An Initiative to Cater Healthy Milk to the People in Bhubaneswar: The Future of A2 Milk in Bhubaneswar – En Route to Success

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ABSTRACT

DESI DAYS FOODS, established by Mr. Sarbanam Sabat in 2018 in Bhubaneswar, aims to provide pure A2 milk, addressing a significant gap in the market. With a Master's in Commerce and over ten years of corporate experience, Sabat leveraged support from Odisha University of Agriculture & Technology experts to understand the dairy industry's intricacies. His mission was fueled by the desire to combat adulteration, which often compromises milk quality. A2 milk's global market is booming, driven by rising disposable incomes and health awareness. Despite competition from established brands like Amul and Pride of Cows, Sabat sees vast potential among consumers, particularly in Tier-1 cities. DESI DAYS FOODS, established by Mr. Sarbanam Sabat in 2018 in Bhubaneswar, aims to provide pure A2 milk, addressing a significant gap in the market. With a Master's in Commerce and over ten years of corporate experience, Sabat leveraged support from Odisha University of Agriculture & Technology experts to understand the dairy industry's intricacies. His mission was fueled by the desire to combat adulteration, which often compromises milk quality. A2 milk's global market is booming, driven by rising disposable

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1. BACKGROUND AND CONTEXT

The Beginning

Desi Days Foods, Bhubaneswar was finally incorporated and began its operations in the Nayapalli area of Bhubaneswar (October 2018), a market already dominated by A2 Milk, packaged Milk, and unlabelled Milk. Where getting even a piece of market share was an arduous task. Mr Sabat accepted that challenge and tapped the market gap, i.e. unavailability of A2 Milk. The problem which Mr Sabat faced was pricing (Deshwal, et al., 2021). The market then was flooded with packaged A1 variant of Milk at half the price of A2 Milk which Mr Sabat was planning to sell. Branded packaged A1 Milk was sold at a price which was half of what Mr Sabat was offering. Albeit, he knew that 'consumers trust' in the brand building of his A2 Milk product was crucial. He explored various aspects for keeping their trust intact and decided to sell at a price of 80 per litre, which is considered a low price for a niche product like A2 Milk (refer to exhibit- 8). However, the break-even pricing was still believed high-pricing of Milk, and there weren't many customers who got attracted to his offering. They (customers) even debated the doubled price compared to regular packaged Milk sold in the local shops. They didn't oblige that Mr Sabat provides A2 graded milk, which has specialised health benefits, including soaring processing cost and differentiated product quality. In Bhubaneswar, Mr Sabat struggles to set a price nearing 100/L, whereas, in cities, the same quality milk is sold at a price tag of 120/L and above, viz. Delhi NCR, Mumbai, Pune, Bengaluru, etc. Even after two years of origination, he has hardly managed to attract 60 customers with 70 litres of total production (Raj, et al. 2023).

He says, "Even I can produce 500 litres, but we are rigid about our quality. We want to maintain this difference and show people what different products we offer."

"Mr Sabat considers Desi Days Foods in its market testing phase even though it's in the growth stage.

Mr Sabat continues his efforts to enhance the quality and reach of the product to larger markets and thus continues to work on processes and systems for quality improvement".

In an interview, Mr Sabat said, "During awareness campaign, we meet local doctors and ask them to recommend their patients to subscribe to our A2 milk." and further clarified that the class of customers he is serving is an amalgamation of wealthy and middle-class. His market comprises a group of customers who are health conscious and ready to pay extra for the quality and nutritional value of Milk (Prakash, 2022). Surprisingly, many among those customers responded well and acted as a catalyst to grow more customer base through active word-of-mouth. But what about the people who never had an exposure to know what A2 milk is?

Marketing: A boon for a niche product

Advertising USP (Unique Selling Proposition), PODs (Points of Difference) and POPs (Points of Parity) of the product will always act as a panacea in the market. So, whenever a new product is about to launch, the marketer should answer specific questions to make life simpler for consumers to identify a product (refer to fig- 4) viz.

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