

A Case Study on Ampro: The School Going Biscuits

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Abstracts: Myadam Kishan Rao had started his business of cheroots, then Ampro and Ghanta Brand and later on Bermicelli business. The company “AMPRO” could not maintained the PLC with a body of innovative marketing strategy, knowledge and technology in every phase of the product life cycle. The basic problem of AMPRO is that it could not wait and aggressively hyped the market in short period and could not balance the business in long run prospective. The objectives of the study are such as to find out the problem faced by the company, Why the brand “AMPRO” is disappeared from the market and to provide proposed solution to the company. A case study is prepared on the maturity stage of the company where, it had slogan of “AMPRO: The School Going Biscuit”. Case diagnosis and industry analysis is done to reach an ultimate solution.

Keywords: Ampro, Biscuit Industry, PLC, Advertisement, Tagline, Punchline and Slogan

1. Introduction

The brand of south India, Andhra Pradesh to east India, Odisha, Bihar, West Bengal and many other states of India, AMPRO had positioned well in the market. Now a days, the brand is not appearing in the present market. The positive strong correlation between the product development and consumer involvement (Iwu, 2010) had seen in the 1990s. AMPRO had strong hold in the market starting from distribution to the Institutional market. The company had promoted a series of product and reached the maturity stage quickly. May be the problem? Proven that the problem arises in regular promotion of the series of product promotion (Guidolin et al., 2016). The early reach in the maturity stage of PLC (Tellis & Fornell, 1988), had caused slow in the business in long run. The multiple product promotion in life cycle (Chunawalla, S.A & Sethia, K.C., 2008) was adopted as the basic strategy of the business. Accordingly, they had their achievements and also had the decline in the market share. When the business from the school going biscuit brand had changed to mass market, there was a disproportion in the market share.

2. About The Person And Company

(V. R. Kumar et al., 2021) denotes that the Vermicelli man has left many products for the society after end of his life on 13th January 2021. The products are such as Roasted vermicelli,

wheat rice, macaroni elbow, (Kishan & Chairman, 2014). Myadam Kishan Rao had started his business of cheroots, then Ampro and Ghanta Brand and later on Bermicelli business. He is the founder of Bambino Agro Food Industries Limited, and known for the popular Bambino vermicelli (Sme, 2010). Ampro Products Limited company in Secunderabad, India and was incorporated officially on 30th June 1982 with authorized capital of Rs. 60,000,000 and paid-up capital of Rs. 43,350,000. The major activities of the company are to manufacture of Biscuits, cakes, and pastries. The company as a person in front of law, AMPRO PRODUCTS LIMITED is an India Non-Government company. Indian handicrafts export vintage Ampro Glucose Biscuits lithos ad tin sign board was shown in the different events in the society (V. R. Kumar, 2021). The Hyderabad based public limited company with authorized share capital is INR 6.00 cr and the total paid-up capital is INR 4.13 cr, Ampro Products Ltd has three directors - Myadam Venkat Rao, Myadam Raj Shekar, and others (Limited AMPRO & Road, 1982). Myadam Kishan Rao, the man who made vermicelli popular (Kumar, V. 2021) and known for the brand Ampro and Ganta brands, passed away on January 12, 2021 in the age of 85 (V. R. Kumar, 2021). Mr. Myadam Venkat Rao, is associated with other related companies. The companies which are Associated with Myadam Venkat Rao, Such As (1) Emjay Industries Private Limited, (2) Costa Projects Private Limited, (3) Ampro Agro Private Limited, (4) Ampro Agro Private Limited (5) Ambica Rotopack Limited. In Later period, they had expanded their business on the food industries not only in India but also in many overseas countries. Presently, the top biscuit brands in India is given by (Plans et al., 2021), tabulated in **Table 1**. But the AMPRO brand is not found in the market. The biscuit market is divided into two categories such as un-organised market and organised market in India. The major market of biscuit is based on rural villages in India, about 55%. Presently, the biscuit market is growing, where the Patanjali biscuit, doodh brand is gearing up to 13.6% market share in India. Due to the huge penetration of the unorganised sectors in biscuit industries in rural India, the scares data are found from the sources, not sufficient for any analysis, even the proven data is not found in the website (Day & Bikis, 2022). The authorized telephone number is also not working. What happened to it?

3. Related Literature Review

(Tellis & Fornell, 1988) had denoted that the coefficient of correlation among the Advertising, Market Share and Profit in late PLC is more (0.08) than the early PLC (0.04). (Nandy & Roy, 2022) have denoted that adoption of innovation and technology in advertisement establishes strong relationship between the consumer and company. There is a positive strong correlation between the product development and consumer involvement (Iwu, 2010). AMPRO had good product involvement and advertisement but it reached the PLC very quickly, which had a partial adverse effect on the market share in long run. The problem arises in regular promotion of the series of product promotion (Guidolin et al., 2016). The promotional schemes attracts the rural consumers to purchase the product (B. Kumar & Shilpi, 2019). Although the AMPRO brand is promoted to mass rural market, but schemes are not given at the point of time. The factors which affect the promotional tools such as budget availability, product life cycle, competition and Government regulations (Chibiko et al., 2020). The budget may be the constrain for AMPRO to promote scheme. The product life cycle of FMCG is very long (Nagarathinam & Subramanian, 2018), where the company has to maintain the PLC with a body of innovative marketing strategy, knowledge and technology in every phases of the product life cycle. The basic problem of AMPRO is that it could not wait and aggressively hyped the market in short period and could not balance the business in long run prospective.

4. Methodology

4.1. Objective of the Case Study:

- I. To find out the problem faced by the company.
- II. Why the brand “AMPRO” is disappeared from the market?
- III. To provide proposed solution to the company.

4.2. Methods:

The primary source of data from telephonic contact could not be happened. So that the secondary data is collected from various sources of literatures such as websites, YouTubes and published research articles. The problems of the company and industry was understood through only observation of sources. The data from various sources are tabulated to have a clear picture of the case. The data from the date of incorporation of the AMPRO till year 2022 are searched and taken into consideration. The company data and biscuit industry data are studied in this case.

5. Theoretical indications of the case

5.1. Problem faced by the Company:

Problem 1: (Court, 1973) denotes the case between Ampro Food Products (Ampro Biscuits) and Ashoka Biscuit Works (Ashoka Biscuits). The appellant's biscuits have embossed on them a certain design in the Centre of which appear the letters "AF". The design is registered under the Designs Act, 1911. The respondent's biscuits also have embossed on them an identical design except that the letters AB appear instead of the letters AF. The appellant complains that the respondent has committed piracy of his design. He has filed a suit in the City Civil Court, for a permanent injunction to restrain the respondent from using the design on his biscuits. Pending disposal of the suit he sought a temporary injunction.

Problem 2: The present status of the AMPRO is not shown in the website sources. The company's telephone number is not working. The personal or telephonic interaction could not happen. So that the primary data source is mission.

Problem 3: The product AMPRO Biscuit is not available in the market, but the sister concern “BAMBiNO” is continuing in the present market.

Problem 4: Organized business “AMPRO” in an unorganized biscuit market.

Problem 5: The bank loan had increased and Income tax issues had arisen.

Problem 6: Competition is increased due to entry of new entrant.

5.2. Growth and Strategy of AMPRO

(V. R. Kumar et al., 2021), Once upon a time, the brand AMPRO was well known not only to “Andhra Pradesh to southern market”, but also in Odisha, Bihar and West Bengal etc. Myadam Venkat Rao has the largest number of other directorships with a seat at a total of 7 companies had brain behind the market growth of the company (Sme, 2010). The tagline and punch line of AMPRO biscuit had addressed the target market and marketing strategy of the company in **Table 2**. Apart from that, they had made awareness about the Ampro biscuit through Inland letter and Indian Post card by putting the logo in those cards. The tagline, punchline and slogan are introduced in the product life cycle of the company, specified in **Table 2**. The product advertisement, service advertisement, institutional advertisement, public relation advertisement and public service advertisement are implemented.

Strategy 1: A normal biscuit is converted into glucose biscuit, where the glucose was only the symbol of energy.

Strategy 2: The product is targeted to the mass population. The punchline “The Top Energy Giver” was attached to glucose biscuits to penetrate more and share more market share.

Strategy 3: Ampro ghata brand had shown ghanta in the logo, where the “Ghata” is the symbol of School and recess period of school. The logo and punchline of the Ampro ghanta were positioning to the school children, had persuade the them to eat “AMPRO GHATA”, during their recess period.

Strategy 4: The punch line “BANG BANG” was again targeted to the children.

Strategy 5: Probably, the punchline “Sacco Salted Biscuit” was targeted to old and elder people during the tea time.

Strategy 6: The Orange Cream AMPRO biscuit was targeted to all aged people.

Strategy 7: A new change was made to the AMPRO by adding milk base to existing biscuit flavour. The product is targeted to the whole school going children. The tagline of the product is “AMPRO MILK BASE”. The punchline is “**The School Going Biscuit**”. A slogan was given at that point of time, “**Never Absent from Class Room, School Bag, Play Fields, Lockers, Short Breaks and Lunch Breaks**”. The strategy had helped the AMPRO brand to reach in the growth and maturity stage easily.

Strategy 8: In the product “Mera Ampro”, the “Original Wali Bat” was punched by the company to remind its’ mass-based customers.

Strategy 9: The company had tried to take competitive advantage on others, by launching the product “Ampro Milk Bisk”.

Strategy 10: On the demand of time and customers, a new product “Ampro Kaju Kookies” was introduced to market, where the mass population was the target customers.

Strategy 11: The product life cycle of AMPRO is identifies easily from the product strategy from strategy 1 to 10, where the company had implemented various advertisement strategy to attract the attention of the people. The factors influencing the promotion mix of “AMPRO” are such as (1) product: nature of Glucose, (2) nature of the market: children, school going children, mass, elder and young and (3) the product life cycle stage: multiple product promotion in life cycle (Chunawalla, S.A & Sethia, K.C., 2008). These are all observed variables from the strategy 1 to 10. The company has introduced 10 different products in the product basket.

Strategy 12: Television Ads:

Tejas, (2018, Mar 6) had mentioned the reminder-oriented advertisement in Ampro Biscuits ad with a slogan” Mera Apro Wahi Original Wali Bat”. In a second YouTube advertisement, GenesisTVCs. (2013, Jul 22) had mentioned the persuasive product advertisement by showing the kaju cookies in the ad. Both the advertisement had tried to push the company in market by giving information, reminder and persuasive advertisement in later period of 1990s and 2000s.

7. Case Diagnosis

Ampro has reached the maturity stage in PLC in very short period. As per (Tellis & Fornell, 1988), the correlation of advertisement, market share and profitability is very much strong in long run, but not in short period. The company has only used the traditional method of advertisement and not adopted innovative way of advertisement, which would have connected the company with the consumer of recent trends. A series of product is promoted in the market. As a result, the product of the same company had given competition to each other. The tagline, punchline and slogan of AMPRO only promoted to the customer category, but not promoted the schemes for the consumers. Although the AMPRO brand is promoted to mass rural market, but schemes are not promoted for the consumer. The lack of adequate finance is one of the probable causes for not promoting the schemes. In the final decision of the AMPRO, the company had adopted the diversification strategy as the concentric diversification (Kaju, milk and cookies) and new product development as Vermicelli. multiple product promotion in life cycle (Chunawalla, S.A & Sethia, K.C., 2008) had percolated the competition among the own product basket. The company has shifted the focus from school going biscuit to the mass, the originality and customer centric essence had detached from the market. The consumer behaviour at the time of dispose was there, but product appeal is missed out. On the other hand, the introduction of vermicelli and noodles in the market, had changed the taste, preferences and consumer preference of the consumer. The consumer had also changed their preference from biscuit to noodles, vermicelli, pasta, natural fruits and other innovative biscuits, which are most suitable for school going children in their tiffin box.

8. Industry Analysis

The size of the biscuit industry in India is (Production capacity, 60MT) and (Cost, Rs. 56,76,400). The larger taker of biscuits, major geographical area of operation and distribution are such as Andhra Pradesh, Karnataka, Maharashtra, UP and West Bengal. It contributes Rs 8,000 crore in the FMCG sector, and also in Indian economy, where the market capitalization in the food industry is Rs 4350 crores. The market share of biscuit industry as an organised sector is 70% and unorganised sector is 30%. In India, the market leaders in biscuit industry are Britannia, Parle and ITC (Indian et al., 2022). Although the new entrants have entered and many others are waiting to enter into the biscuit market, the **Table 3** represents the down trend of the biscuit industry in India.

9. Alternative Solutions

AMPRO should be listed in the India Stock Market to raise more capital. But it was not so easy in the period of 1980s and 1990s. The “Over the counter benefits” and “Customized rural promotion”, might have given by the company in the promotional activities. Instead of providing the schemes to the distributors and retailers, in the maturity stage, the company might have given more scheme to the consumers. Finally, the ultimate solution is also rested to the readers of the case study.

6. Findings

The relationship of the multiple products and product life cycle of the company is observed in this case. Within a short span of period, the company has grown and reached its’ maturity. The informative product advertisement tagline is given as “GLUCOSE Biscuit” in the initial stage of the product introduction in the market. In order to elevate the growth in business, the persuasive product advertisement is given as the punchline “The Top Energy Giver”, “AMPRO GHATA” and “BANG BANG”. The company had tried to stretch the sales in the maturity period, the product is positioned with a punchline “Milk Biscuit”, “The School Going Biscuit”

and a slogan “Never Absent from Class Room, School Bag, Play Fields, Lockers, Short Breaks and Lunch Breaks”. The slogan had helped the company in its’ achievement of growth stage and maturity stage very easily. But, in the decline stage, the company had tried to pull the customer by the tagline and punch line given in the package of the product such as “Mera Ampro”, the “Original Wali Bat”, “Ampro Milk Bisk” and “Ampro Kaju Kookies”. They tried to give reminder to the existing customer by the slogan “Mera Ampro” and “Original Wali Bat”. They also launched new product extension by the punchline “Ampro Milk Bisk” and “Ampro Kaju Kookies”. After a few periods, they extended their business from AMPRO biscuit to BAMBINO Barmicelli. Due to the competition, low level of technology adoption, excessive aggressive in market and early achievement of maturity period, had turned out the AMPRO from the biscuit business. Vermicelli is succeeded in the market. The decision of the company is correct up to some extent, as referred to the Table 3, the downtrend performance of biscuit industry.

10. Conclusion

The promotional strategy of AMPRO was excellent and well-focused in the customer categorization. But, due to the constraints of competition, finance and Government regulations, the promoters of the had searched a new product i.e., Vermicelli. They have shifted their business slowly from Biscuit industry to vermicelli. Their strategy is good. If they would have adopted few innovated promotional activities for the consumer, especially for the school going children, the AMPRO may have presence in the current market.

11. Practical Implications

The body of knowledge is well applicable for the biscuit industry. The biscuit industry may study the case and take necessary steps to craft the strategy in every stage of PLC. The product diversification is not an absolute solution, what the case study says. With this case study, the corporate will focus on the strategy for both the distributors, consumers and other stake holders.

12. Future Scope of Another Case

1. Consumer behaviour, Future trend of biscuit industry in India.
2. Changing of fast-food habits vs biscuit industry in India
3. Food and Formula in Indian food Industry: Maggi Noodles

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Table 1. Top Biscuit Brands in India

SL.NO.	Name of the Company	Year of Establishment	Market Share as on Year 2021 (Plans et al., 2021)	Major Area of Penetration (Day & Biks, 2022)
1	Parle Products Pvt. Ltd	1929	27%	24%
2	Britannia Industries Limited	1982	28%	29%
3	Priya Gold Biscuits	Oct.1993	00	4.5%
4	Anmol	1994	00	4%

5	Horlicks	1992	14.3%	00
6	Cremica	NA	NA	NA
7	ITC-Sunfeast	July 2003		10%
8	Biskfarm	2000	NA	NA
9	Rose-Veeramani Biscuit Industries Limited,	1987	NA	NA
10	Sobisco	1992	NA	NA

Source: Dr. Prafulla Kumar Padhi (Own)

Table 2. Tagline and Punchline of AMPRO BISCUIT

SL.NO.	Tagline	Punchline	Target Customer
1	GLUCOSE BISCUITS	GLUCOSE BISCUITS	Mass
2	GLUCOSE BISCUITS	The Top Energy Giver	Young people
3	AMPRO GHANTA	TUTTY FRUTY BISCUIT	School Children
4	BABY GLUCOSE	BABY GLUCOSE	Small Children
5	CHITTY CHITTY KIDDY'S BISCUIT	BANG BANG	Children 1972
5	Sacco Salted Biscuit	Sacco Salted Biscuit	Elder aged
6	Orange Cream	Orange Cream	All Aged
7	Ampro Milk Base	The School Going Biscuits	School Children
8	Mera Ampro	Original Wali Bat	Mass
9.	Ampro Milk Bisk	Ampro Milk Bisk	Mass
10	Ampro Kaju Kookies	Ampro Kaju Kookies	Mass

Sources: (https://www.google.com/search?q=ampro+biscuits&rlz=1C1CHBD_enIN992IN992&source=lnms&tbm=isch&sa=X&ved=2ahUKEwiyt4Kc5qX6AhU06jgGHeUfB5wQ_AUoAXoECAIQAw&biw=1366&bih=567&dpr=1#imgc=RR6idjeNOcjoLM)

Table 3. Indian Biscuit Industry CAGR and Expected Growth

Year	CAGR	Expected Growth	Year
2011-12	NA	15% to 17%	NA
2012-13	NA	9%	2013
2013-14	NA	13% to 15%	2015
2014-15	10%	14%	2019
2015-16	13%	15% to 16%	2019
2016-17	13%	15% to 16%	2022
2017-18	11.27%	NA	2022
2018-19	12% to 15%	12% to 15%	2022
2019-20	NA	NA	2023
2020-21	8.5%	NA	2026
2021-22	9.1%	NA	2027

Source: Dr. Jay Prakash Verma

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