

Summer Internship Project Report
On

AN ANALYSIS OF CHANNEL STRATEGY FOR SBU-3 OF UPL



Under the supervision of
DR.SARITA GUPTA

Institute of Management
JK Lakshmipat University,
Jaipur (2020)

MAY 21, 2020



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4th August '2020

TO WHOMSOEVER IT MAY CONCERN

This is to certify that Mr. Swapnil Rathore was working with us as an 'Intern' from 21st May '2020 to 15th July '2020 in India Region – SBU3 Department.

During this period, he was involved in below project:

- Channel Strategy for SBU-3 to drive Growth and Increase in Market Share Percentage.

During his training period in our Organization, he was very dedicated, sincere and efficient and completed his projects within a given time frame.

We wish him all the best in his future endeavors.

Yours sincerely,
For UPL Ltd.

A handwritten signature in blue ink, appearing to read 'Sinay Choudhary'.

Sinay Choudhary
Global HR Shared Services Head

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DECLARATION

I am Swapnil Rathore, a second year BBA student at JK Lakshmipat University, Jaipur. I hereby declare that the presented Internship Report titled “Channel Strategy for SBU-3 to drive growth and increase in market share percentage” prepared for UPL Ltd, has been prepared by me after completing a 6 Weeks Internship in the “Sales and Marketing” under the supervision and guidance of **Mr.Dushyant Trivedi and Mr.Vinod Iyer at UPL ltd (Industry Mentor) and Dr.Sarita Gupta (Faculty Mentor)**. I also confirm that the report is only prepared for my academic requirement, not for any commercial purpose. It might not be used with the interest of the opposite party of the corporation.

Swapnil Rathore
2018BBA030

Date: 13-07-2020
Institute Of Management

CERTIFICATE

It is certified that the Summer Internship Report titled **Channel Strategy for SBU-3 to drive Growth and Increase in Market Share Percent** submitted by **Swapnil Rathore** is an original piece of research work carried out by the candidate under my supervision.

Signature of the Faculty Guide

(DR.SARITA GUPTA)

ACKNOWLEDGEMENT

An individual cannot do project of this scale. I take this opportunity to express my acknowledgement and deep sense of gratitude to the individuals for rendering valuable assistance and gratitude to me. Their inputs have played a vital role in success of this project and formal piece of gratitude towards people who have helped me in the successful completion of my training.

I would like to wish my sincere thanks to my project guide Mr. Dushyant Trivedi and Mr.Vinod Iyer, UPL (Industry Mentor) and Dr.Sarita Gupta (Faculty Mentor) for their keen interest and giving valuable guidance at every stage of this project.

I take this opportunity to thank all respondents who spared their precious time to provide me with valuable input for project without which it would have not been possible.

I finally believe that there is always a scope of improvement. I welcome any suggestions for further enriching the quality of this report.

Swapnil Rathore

CONTENTS

Serial no.	Topic	Page no.
1	Project Summary	6
2	Company overview	7
3	Industry Overview	9
4	Project Objective	11
5	Research Methodology	12
6	Data Analysis and Interpretation	13
7	Conclusion & Recommendation	26
9	Limitations	27
10	Bibliography	28
11	Appendix	29

LIST OF FIGURES

Serial No.	Topic	Figure No.	Page No.
1	Advantages in Agriculture Industry in India	1	7
2	Sales Data of 2018-2020	2	13
3	Pie chart of Sales Data of 2019-2020	3	13
4	Pie chart of Sales Data of 2018-2019	4	14
5	Preference Pie chart	5	15
6	Distributors Satisfaction chart	6	16
7	Timely Availability Rating Pie Chart	7	17
8	Credit Facility Rating Chart	8	18
9	Transportation Rating Pie Chart	9	18
10	Replacement of Outdated Product Rating Pie Chart	10	19

PROJECT SUMMARY

This report contains the study on the SBU-3 Channel Strategy to drive growth of UPL ltd. The methodology adopted for the study was through Primary and secondary data i.e. Questionnaire prepared for the distributors and getting their responses and company's sales in the past 2 years respectively. The data collected was analyzed thoroughly and presented here.

UPL has a great brand value of its products and services in the market. There are many competitors of UPL like Aimco Pesticides Ltd., Bayer Cropscience Ltd.,

The companies sales in the SBU-3 zones which Includes Maharastra, Tamil Nadu, Karnataka, Madhya Pradesh have increased at a excellent rate when compared to previous year.

I have also designed a questionnaire for the distributors asking them about different factors that affect their relation with the company.

Advertisements are done regularly and events for farmers are held for getting to know the consumer and showcasing the products and telling the benefits.

There are few more recommendation like more marketing acts can be done like that of holding these events more and giving out sample products and some more promotional schemes/ideas discussed in the report.

COMPANY OVERVIEW

United Phosphorus Limited {UPL}

UPL Limited, formerly **United Phosphorus Limited**, is an Indian multinational company that manufactures and markets Aggro chemicals, industrial chemicals, chemical intermediates, and specialty chemicals, and also offers crop protection solutions. **Headquartered in Mumbai, Maharashtra**, the company engages in both agro and non-agro activities.

The agro business is the company's primary source of revenue and includes the manufacture and marketing of conventional agrochemical products, seeds and other agricultural related products. The non-agro segment includes the manufacture and marketing of industrial chemical and other non agricultural related products such as fungicides, herbicides, insecticides, plant growth and regulators, rodenticides, industrial and specialty chemicals, and nutrifeds. **UPL products are sold in 150+ countries.**

United Phosphorus Limited was **established on 29 May 1969**. The company changed its name to UPL Limited in October 2013.

On 20 July 2018, **UPL signed a US\$4.2 billion agreement with Platform Specialty Products Corporation** (now Element Solutions Inc.) **to acquire control of Arysta LifeScience Inc.** The acquisition was completed in February 2019, making UPL the **fifth largest** generic agrochemicals company in the world after Bayer, Dupont, Syngenta and BASF.

We have market access to 90% of the world's food basket and are focused on ushering growth and progress for the complete agricultural value chain including growers, distributors, suppliers and innovation partners.

Major Products

Advanta delivers superior and proprietary germplasm and added-value solutions

ProNutiva is an integrated crop protection program that combines conventional crop protection and biosolutions

Zeba is a drought mitigation technology that manages the crop's water requirement even in drought conditions

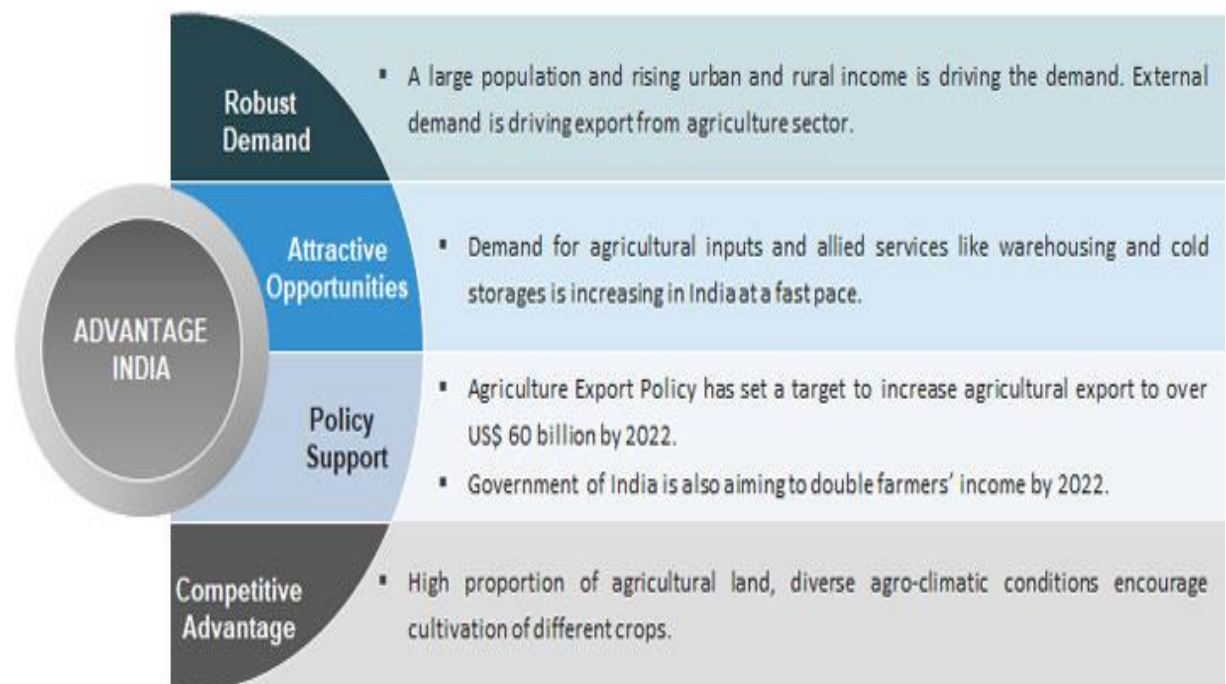
Decco is a range of speciality products for fruit coating and storage of food grains and potatoes to reduce post-harvest losses

INDUSTRY OVERVIEW

The agriculture industry in India reached a value of INR 56,564 Billion in 2019. The agriculture industry represents an important component of the Indian economy both in terms of its contribution to the GDP as well as a source of employment to the majority of the country's population.

This sector is currently showing immense opportunities, with India presently being one of the world's largest agricultural producers by value. India is the second largest populated country accounting for 18% of the total world population.

(source: <https://www.imarcgroup.com/agriculture-industry-in-india>)



(source: <https://www.ibef.org/industry/agriculture-india.aspx>)

Within the agriculture industry, "agribusiness" refers to the range of activities and disciplines encompassed by modern food production. There are academic degrees specializing in agribusiness, departments of agribusiness, agribusiness trade associations, and agribuAmong critics of large-scale, industrialized, vertically integrated food production, the term agribusiness is used negatively, synonymous with corporate farming. As such, it is often contrasted with smaller family-owned farms.

The **Agriculture Industry** encircles a variety of procedures wherein natural resources give rise to a number of products. Agriculture Industry consists of different activities which include **harvesting crops, plants, livestock feeding, grazing** etc.

Agriculture Industry encompasses preparing the soil for optimum returns, improving crops, services relating to **horticulture**, landscaping services, **veterinary services**, managing labors or farmers etc.

Agriculture Industry is always seeking to improve, by adopting new technologies. The new technologies aim at improving the efficiency of various Agricultural based operations.

Biotechnology has assisted in improving the quality of crops manifold. But it depends on the choice of the consumers as consumers opt for natural food.

OBJECTIVE

1. To Analyse Over the year Zonal Sales to know Highest performing zone.
2. To ascertain the best distribution strategy for each zone.
3. To identify various factors which positively and negatively influence the satisfaction of the distributors of UPL.

RESEARCH METHODOLOGY

Theoretically, reports are prepared based on either one or both categories of data. This report is result of the study of data and information collected from the both primary and secondary sources in order to make the report more meaningful and presentable. Considering the present finding, this report is based on descriptive business research where, information has been collected through different sources to make a constructive output.

In the preparation of this report I have used some sales data to arrive on some conclusions, that data was provided to me by my industry guide as I cannot find this data else where and can't collect this data during this pandemic.

In this report primary data is used on large scale and secondary data is used on a small scale. The sources from which I have used the secondary data are: -

1. Company website
2. Internal links
3. other sources and websites.

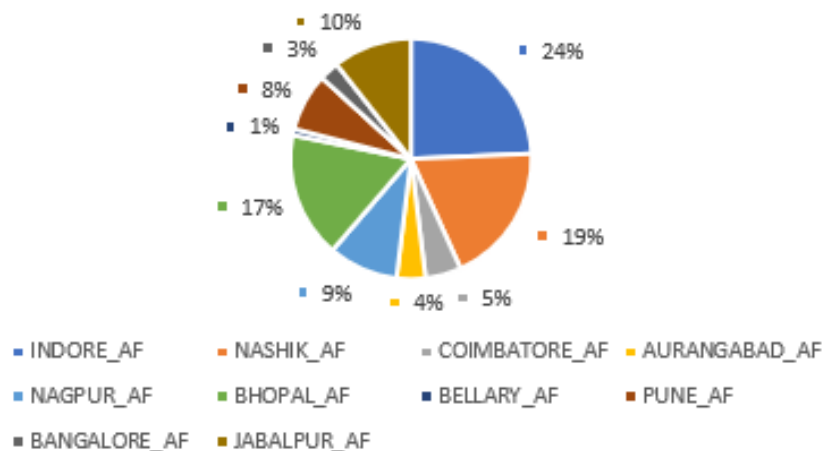
DATA ANALYTICS AND INTERPRETATION

I did a zone wise sale analysis for SBU-3 and there were 10 zone which are Indore, Nashik, Coimbatore, Aurangabad, Nagpur, Bhopal, Bellary, Pune, Bangalore, Jabalpur.

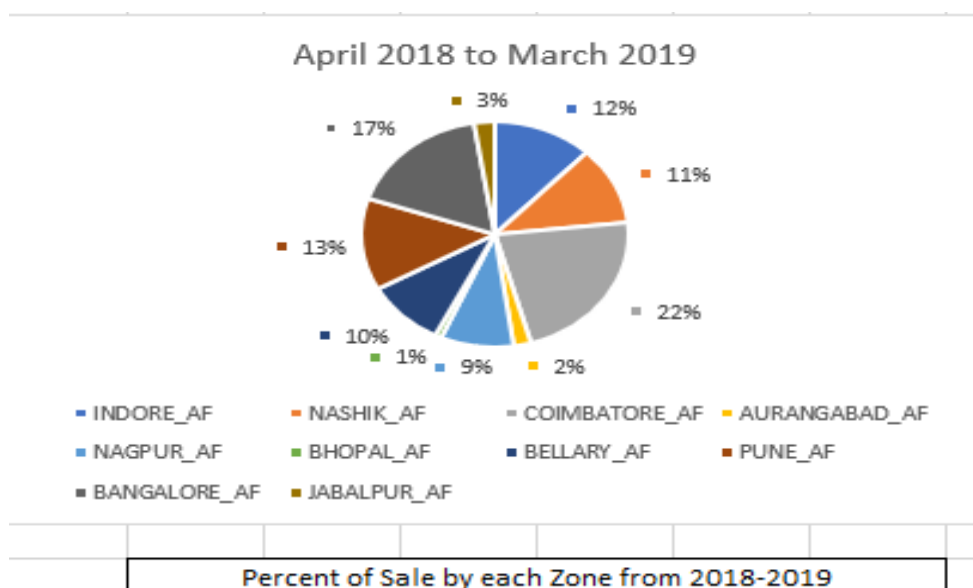
A sales data of these zone was given to me for the year 2018-2019 and 2019-2020.

Zone	Total Sale in 2018-2019	Total Sale in 2019-2020	Increase/Decrease in Sales	Percentage of Increase/decrease in sale
INDORE_AF	22.40	91.39	68.99	308%
NASHIK_AF	20.91	79.43	58.52	280%
COIMBATORE_AF	41.49	68.29	26.81	65%
AURANGABAD_AF	3.91	65.74	61.82	1579%
NAGPUR_AF	16.43	65.26	48.83	297%
BHOPAL_AF	1.44	56.29	54.85	3801%
BELLARY_AF	17.83	56.19	38.37	215%
PUNE_AF	24.50	54.99	30.49	124%
BANGALORE_AF	32.21	49.69	17.48	54%
JABALPUR_AF	4.66	35.80	31.14	669%
Total Sales	185.77	623.07	437.29	235%

April 2019 to March 2020



Percent of Sale by each Zone from 2019-2020



Observations:-

- The sales of every zone has increased in 2019-2020.
- The least increase of sales was in Bangalore_AF zone which was by 17.48 crore Rs.
- The highest increase in sales was in Indore_AF zone by 68.99 crore rs.
- Zone's like Bangalore, Coimbatore needs to be taken care of there should be more advertising and these should be the focus in the next year to increase sale by different schemes and Promotional activities.
- Dealers and costumers are loving the products.
- Farmers are developing a faith on the products offered by the company.

- More and more advertisements are giving out results which can be seen in the sales of the different zones.

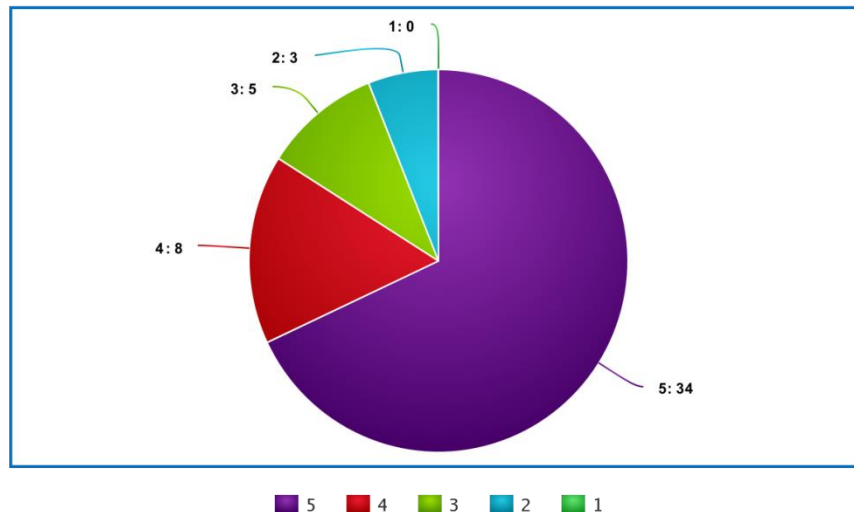
Questionnaire for Distributors (Answers were recorded through telephonic interview)

Question 1- Rate your preference on a 5 point scale that how much you prefer UPL for business. (1 indicates the lowest and 5 indicates the highest)

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

Rating	Number of Distributors
1	0
2	3
3	5
4	8
5	34

Rating Given by Distributors



meta-chart.com

- Interpretation- UPL is preferred more than other companies as most distributors said they wanna work for UPL only. It is a good sign as we have more distributors who want to work for us and are happy of the services offered by the company.

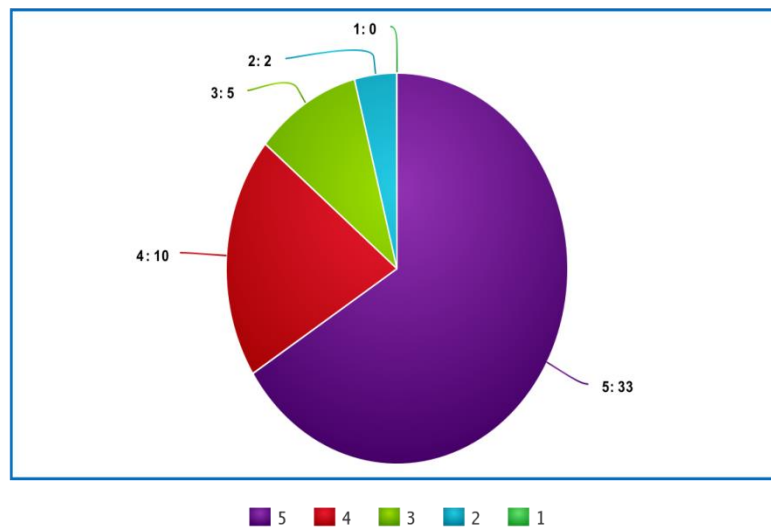
Question 2- How much you are satisfied with the products and services offered by UPL on a 5 point scale? (1 indicates the lowest and 5 indicates the highest)

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

Rating	Number of Distributors
--------	------------------------

1	0
2	2
3	5
4	10
5	33

Rating Given by Distributors



meta-chart.com

- Interpretation- Most of the distributors are satisfied with the promotional schemes provided by the company only 17 feels that there should be more schemes.

Question 3- Question 3- Rate the various facilities offered by UPL on a 5 point scale - (1 indicates the lowest and 5 indicates the highest)

1. Timely availability of good

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

2. Credit Facility

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

3. Transportation

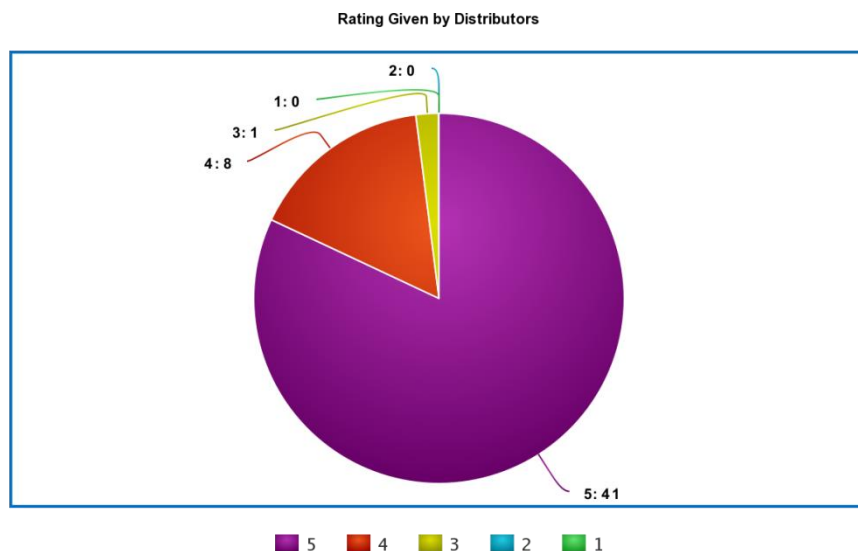
1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

4. Replacement of outdated goods

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

1. Timely availability of good

Rating	Number of Distributors
1	0
2	0
3	1
4	8
5	41

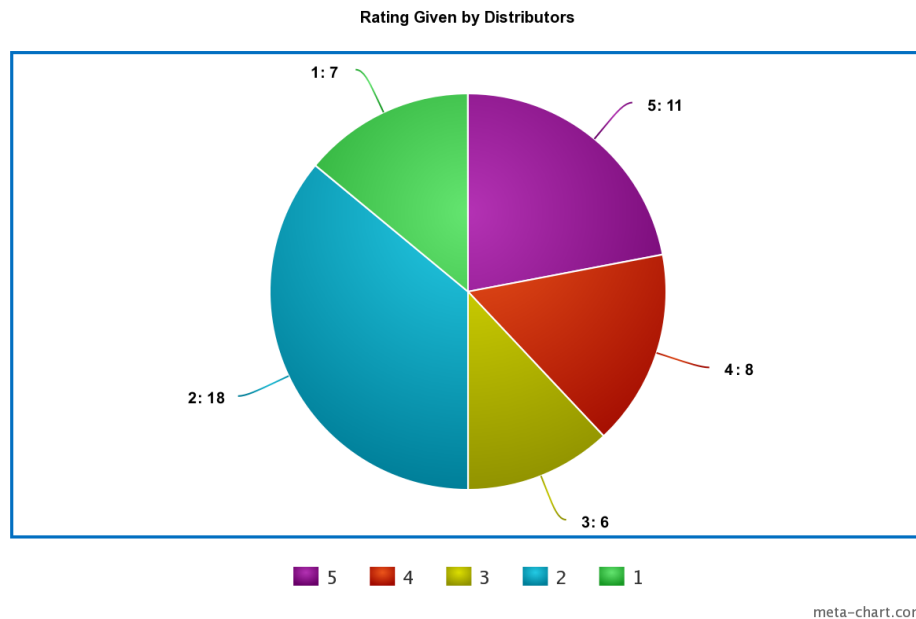


meta-chart.com

➤ Interpretation- The rating given by the distributors shows that we are doing good in providing the product to them as most of them gave 5 rating. Some gave 8 as they got some deliveries which were not on time.

2. Credit Facility

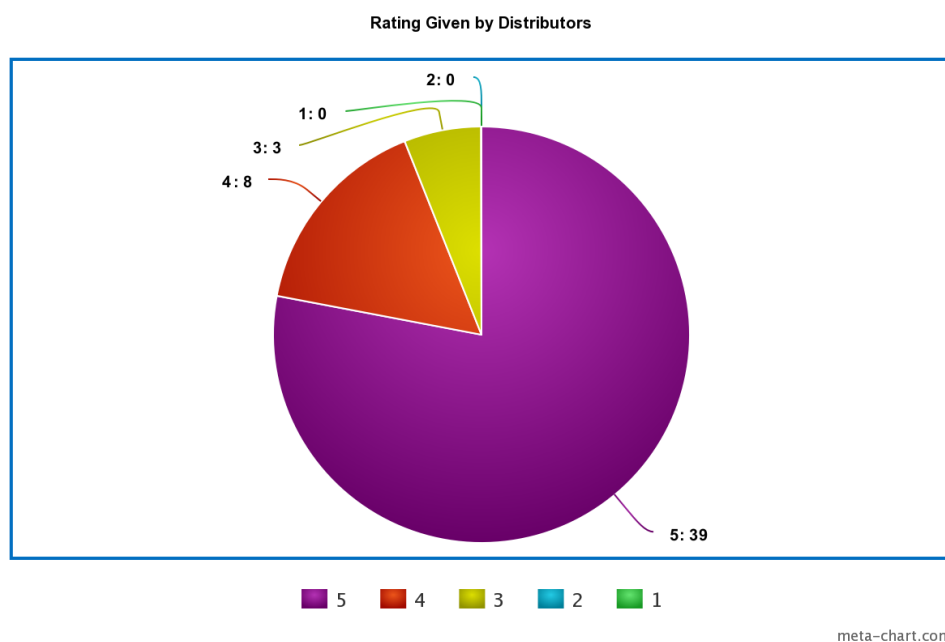
Rating	Number of Distributors
1	7
2	18
3	6
4	8
5	11



- Interpretation- This is the place where the company needs to focus as most distributors said the company does not give proper credit facilities. We can work upon this and can give more credit to distributors.

3. Transportation

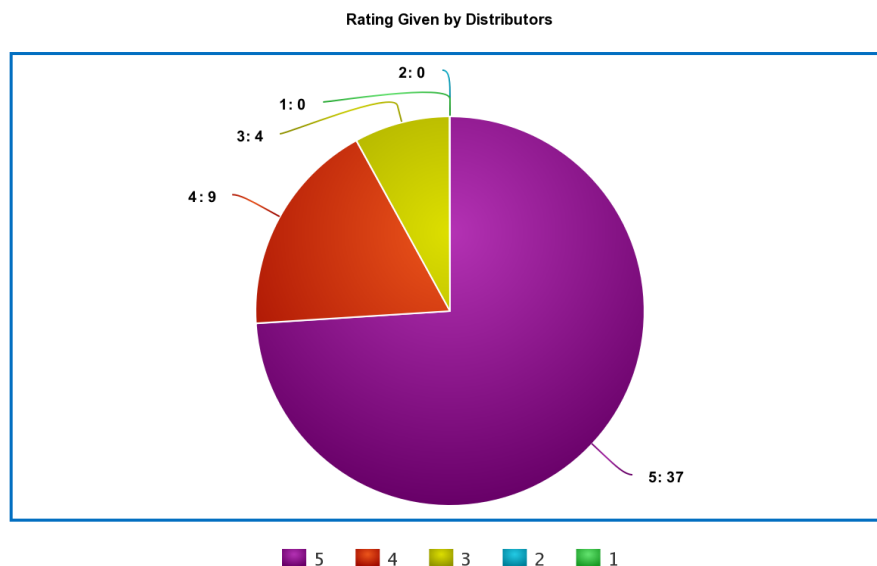
Rating	Number of Distributors
1	0
2	0
3	3
4	8
5	39



- Interpretation- This shows that the transportation facilities provided by the company for carrying the product is excellent and many of the distributors gave 5 rating to this.

4. Replacement of outdated goods

Rating	Number of Distributors
1	0
2	0
3	4
4	9
5	37



- Interpretation- The company is doing good in helping the distributors with replacing the outdated or expired products, mostly said that there is no problem in getting the outdated products replaced the company is always happy to help us.

Question 4- Do you want any improvement in services of UPL? If any please recommend.

Answer 4-

- Credit Facility.
- More promotional schemes.

DIFFERENT TYPES OF CHANNEL STRATEGIES

There are basically four types of marketing channels:

- Direct selling;
Direct selling is the marketing and selling of products directly to consumers away from a fixed retail location. Peddling is the oldest form of direct selling.
- Selling through intermediaries;
A marketing channel where intermediaries such as wholesalers and retailers are utilized to make a product available to the customer is called an indirect channel.
- Dual distribution;
Dual distribution describes a wide variety of marketing arrangements by which the manufacturer or wholesalers uses more than one channel simultaneously to reach the end user.
- Reverse channels;
This one goes in the reverse direction and may go — from consumer to intermediary to beneficiary. Think of making money from the resale of a product or recycling.

Choosing the distribution channels for products and services is a delicate and strategic step that has to take into account several main points:

- The type of product
- The price of the product
- Brand advertising

➤ Product positioning

✧ Our company here uses the best Channel which is Selling through Intermediaries. It is the best and is suitable because:-

(Producer/manufacturer → distributor → wholesaler → retailer → consumer)

-

- It helps the company to deliver the products to a lot of costumers.
- It would be nearly impossible to sell products to the consumers if there are no intermediaries.
- Cost of the product increases but the product will now reach a large number of farmers.
- Intermediaries also help in the promotion of the products.
- Intermediaries like distributors can convince the farmers to use our products instead of the other companies products.

COSTUMER OFFERINGS/SCHEMES

Advertisement Campaigns

- We can organize more Ad Campaigns in the zones Nagpur, Bellary, Jabalpur, Pune, Coimbatore and Bangalore as these the zones where the increase in sales was lower.
- Arranging meetings with farmers and telling them about the different products that we have to offer and telling them the benefits may help us in reaching out to farmers and increasing the sales in these zones.
- Advertising the products in front of the farmers will directly help us in increasing the sales.

Sponsoring Farmers

- We can start Sponsoring a farmer at place where farmers use our product the least.
- Sponsoring not by funds but by helping him with giving free seeds and fertilisers to him for 1 year.
- This will show that we care for our farmers.
- And when the results are better we can make our campaigns more effective by using the example of the sponsored farmer.
- And we can give out a scheme that we will sponsor a new farmer every year.
- It won't be too costly and will also help in making costumer relationship more stronger.

- And more farmers would want to buy our products as they will know that we are giving back to the society.

Helpline For Our Farmers

- We can set up a team which will solve the queries of the farmers.
- Queries can be anything related to agriculture.
- We can provide those helpline number to the farmers who buy our product with the help of our distributors and retailers.
- It will make our costumer base more stronger.

Trial Products

- We can give our new launched products or products which are not known widely in the market as trials with other products.
- This will help us in making those product stand out in the market so that farmer know what we have for them in the shelf.
- Our products which were not know will get exposure.
- As the products are good then the farmer will definitely demand for those products.
- For example we can give a small sample of our pesticide to a costumer who buys our fertilizers.

Events For Farmers

- We can do some farmer events where they can come and see new technology and gather together and enjoy.
- This will make the farmer to company relationship stronger.
- This will also give us a chance to stand out in the market and tell farmers about what all different types of fertilizers and pesticides we have to offer them.
- How much can we be of help to them.
- How our products are the best.

Contest for Farmers

- We can organise some contest like scratch and win.
- After a minimum purchase of our fertilizers and pesticides our distributors or retailers can give farmers a coupon and they can scratch and win prizes if they are lucky.
- More contests like these can be held.
- These contests will increase the sales of our pesticides and fertilizers.

Targeting and Motivating Distributors

- Farmers are not the only one we need to look after its the distributors and retailers as well.
- As farmers are sometimes undecided about the product as which one to buy distributors and retailers are the ones who help them decide so they can make a great impact in selling and promoting our product.
- We have to motivate them to sell our products to the farmers as much as they can.
- We can only do this by keeping some awards or prizes like holiday package for them if they achieve a particular sales target.

CONCLUSION & RECOMMENDATIONS

- The Company is doing good as the sales have hugely increased from the 2018-2019 to 2019-2020.
- UPL is preferred over the other companies by the distributors as they are more happy in doing business with UPL because they are providing much better services.
- Distributors don't like the credit facilities as the company gives less flexibility in giving credit to the distributors they should work on their policies and try to give more credit facility to the distributors. Giving more credit to the distributors can make them more happy in working with the company. This can help a lot in getting more distributors to like the company and prefer us more over the other companies.
- More promotional Schemes should be given not only to the distributors but also for the farmers as well. Giving farmers free samples and organizing events more and on a bigger level will also help a lot in promoting the company and the products.
- Schemes given by the company are good but needs to be increased.

LIMITATION

1. The whole data analysis of different zones is done on the basis of secondary data of 2 years only not more than that as the data was confidential.
2. Zonal performance is based on sales which is not the only criteria to tell if the zone is performing good or not other criteria are cost and profit but due to the confidentiality of the data I only got the sales data.
3. The time and resources devoted for the SIP were limited and current situation of covid-19 added fuel to the fire.

BIBLIOGRAPHY

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BOOKS

- ❖ Principles of Marketing (Kotler, Armstrong, Agnihotri, Haque) [Pearson]
- ❖ Advertising & Promotion (Belch, Belch, Purani) [Mc Graw Hill]

SOFTWARE & TOOLS

- ❖ Microsoft Office

APPENDIX

Question 1- Rate your preference on a 5 point scale that how much you prefer UPL for business. (1 indicates the lowest and 5 indicates the highest)

Answer1- 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

Question 2- How much you are satisfied with the products and services offered by UPL on a 5 point scale? (1 indicates the lowest and 5 indicates the highest)

Answer2- 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

Question 3- Rate the various facilities offered by UPL on a 5 point scale - (1 indicates the lowest and 5 indicates the highest)

5. Timely availability of good

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

6. Credit Facility

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

7. Transportation

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

8. Replacement of outdated goods

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

Question 4- Do you want any improvement in services of UPL? If any please recommend.