

Comparative Analysis between Communication and Distribution Channels of APPLE and AMUL

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Abstract-The purpose of this paper is to study and depict a brief comparative analysis between the communication and distribution channels of Apple and Amul, one of the leading companies of the Information technology (IT) industry and food industry, respectively, in the world. The objective of the research is to explore the different channels of communication and distribution which are adopted by Apple and Amul, to study the marketing strategies in terms of communication and distribution mechanisms of the companies and to conduct a brief data analysis on whether there exists a relation between the food and IT industries in terms of communication and distribution channels pertaining to Amul and Apple companies. The methodology is based on doctrinal research and literature review covering the various methods adopted and implemented by Apple and Amul to make their marketing mix, distribution and communication channels and strategies efficient for the business. Based on findings, both Apple and Amul use good and efficient marketing strategies in maintaining their communication and distribution channels in order to attract customers and sell the product.

Keywords- Apple, Amul, Food and IT industry, Market strategies, Communication Channels, Distribution Channels

I. INTRODUCTION

One of the most prominent industries around the globe are food and Information Technology (IT) industries without which human survival is futile. Amul and Apple, both are one of the most successful and leading companies among their own category of industries. For a company to build a niche for their brand and flourish their business, the most important marketing strategy is to attract the audience towards the company's product and services and then make the product available to them. To achieve this, a company must strengthen its channels of communication and distribution. In this paper, the central focus is given to the channels of communication and distribution adopted by Apple and Amul and to conduct a comparative analysis based on this. A communication channel is the medium through which companies and organisations deliver their offer and value to the audience by way of promotion through social media, surveys, television, etc. On the other hand, the channel of distribution represents a series of trade between organisations and intermediators through which a product or service is delivered from a manufacturer to the customer or end user. Anand Milk Union Limited or widely recognized as Amul, is an Indian dairy cooperative, founded in

1946. Its headquarters are situated at Anand, Gujarat. Its operations are regulated and supervised by the Gujarat Cooperative Milk Marketing Federation Ltd (GCMMF). Million milk producers in the state jointly own this federation. Because of the model of Amul, India rose and emerged as the world's largest milk producer. 222 District Co-operative Milk Unions are involved in processing their milk and 28 State marketing federations are involved in its trading. AMUL produces almost 20% of the world's milk and has a distribution channel of 1 million stores across India. Today, Amul is available in over 40 countries around the world. They export a wide variety of products. The major markets are the US, Singapore, countries in Africa, the Philippines, Saarc neighboring states, West Indies, Gulf Region, Thailand, China and Japan. One of the major communication strategies practised by Amul is indirect action advertising. It helps the company in building a long term relationship with the customer. It does not prefer rigorous selling techniques. The main communication channels adopted by Amul can be divided into two categories viz. (i) Traditional Marketing channel – Word of mouth, Creative Television Ads, Radio, Billboards, Print Media, etc. (ii) Digital Marketing Channel– Social media, online and mobile ads, Videos, etc. Amul's distribution channel includes the manufacturing units where the production of products like butter, ice-cream, etc takes place. This is followed by supply to Retailers and Wholesalers. Further, the commodities are sold to the consumer via Amul preferred outlets, Retail shops, vending machines, push carts, and eateries.

Apple Inc. is an American global technology company. It was founded by Steve Jobs, Ronald. Wayne and Steve Wozniak in 1976. Its headquarters are situated in California, United States. Apple provides a broad range of products as well as services including MacBook, iPhone, iMac desktops, iPad, watches, macOS operating system, iOS operating system, iCloud storage facility, iTunes services, etc. It has stores setup in around 176 countries. It was assessed that around half a billion people visits an Apple store or site each week. Various channels of communication are preferred by Apple to promote its products. It makes use of integrated marketing communication as it helps in reaching masses of customers and raising the sales magnitude. The company also makes use of advertising and promotional tools to catch the eye, desire, and interest of people. Apple involves the use of both Direct and

Indirect distribution channels. Direct Distribution Channels – APPLE retails store, online website/shop. Indirect Distribution Channels – Retailers, third party mobile and service providers, resellers, etc.

II. LITERATURE REVIEW

The latest data, presented by the US, on Smartphone market shares in 2022 shows that Apple has the highest market share concluding to 55.79%. On the other hand, the IFCN Dairy Processors report of 2020 depicted that Amul becomes World's 8th Largest Milk Processor along with 85% share in the Indian butter market, 66% share in market in cheese, 46% market share in dairy whiteners and 62% share in market in infant milk. Both the companies, though belonging to different industries, form and establish their market strategies in such a way in order to stress on their mechanisms of communication and distribution as they are the ultimate paths to reach out to people and increase sales. According to the research [1], Apple's business model is a marketing leader because of its innovative business techniques and marketing strategies. The research finding depicts that apple uses its marketing mix elements in an integrated manner to convey the message effectively. [2] The research finding depicts that apple uses its marketing mix elements in an integrated manner to convey the message effectively. The success of Apple Company lies in its authentic and unique marketing and communication strategy that makes everyone its fan [3]. While considering the article [4] Apple opts for modern retailing as its distribution strategy leading to its success.

According to the research [5] Amul model has enable India to achieve great heights of prestige in the Global FMCG and dairy cooperative sector. The case discusses the background of Gujarat Cooperative Milk Marketing Federation (GCMMF) as well as the traits of the dairy and processed food industries. The organizational features of GCMMF are also described in the case to allow for an evaluation of its strengths and flaws. Amul's huge market share in the Indian market is the result of its out of the league promotion strategy. Amul's huge market share in the Indian market is the result of its out of the league promotion strategy. [1]Amul creates its advertising strategy in such a way that it leaves a long-lasting impact on the viewer's mind. In article[6], it is mentioned that Amul through its creativity and innovative practices has managed to make India, the world's largest producer of milk. Amul's mission and vision covers various marketing aspects from segmentation to targeting and further upgrading its every strategy.

In this paper the main objectives are (i) to study and explore the different channels of communication and distribution adopted by Apple and Amul (ii) to study the marketing strategies of communication and distribution mechanisms of Apple and Amul companies (iii) to study, does there exist a relation between the channels of communication and distribution of Apple and Amul.

III. METHODOLOGY

The method of research used for this paper is data analysis through doctrinal approach. Both primary and secondary sources are used. Various research papers, blog posts, articles,

literature, etc were taken into account. The following table shows the study conducted regarding marketing strategies of distribution and communication used by Apple and Amul. The research conducted in this paper is centered on the comparative analysis between the two companies i.e. Apple and Amul belonging to different industries namely, Information 12 technology industry and Food Industry respectively. According to the research conducted, the marketing strategies of Amul and Apple have a relation. Both Apple and Amul follow the branding market strategy to be positioned as an innovative company.

iPhone-shot advertisement, it not only displays the extraordinary capabilities of the iPhone camera, but it also features interesting films shot by real people. The "Shot on iPhone" campaign successfully merged consumer sentiment with actual product benefits. Giving customers the opportunity to take part in something significant helped achieve this. At least 6.5 billion people watched the first campaign clip. The 31735 campaign highlights Apple's emotive branding pillar. By demonstrating how their products fit into people's lives, it enhances their relationship with the audience. On the other hand, India's White Revolution in the 1950s and 1960s was a result of Amul's innovations. From merely milk products, it has expanded its market to include organic foods such whole wheat and cereals. Through the manufacture of potatoes, it has also joined the global food processing business, and it will soon introduce its rice and pulses. Its slogan making strategy like 'Amul~the taste of India' connects the audience with them and creates public relations. According to the research conducted, the channels of communication of Amul and Apple have a relationship which is acceptable in standard marketing systems. Apple and Amul invest a fortune on their communication channels and modes. Amul's 25% of market strategy involvement is in its advertising. Both Apple and Amul are recognized for spending tons on advertising. Their commercials are known for being attractive and entertaining. According to Bloomberg report1 Apple spends approximately \$100 million per year on Twitter advertisements alone. On the other hand, according to sources, Amul spends approximately 10 million dollars in its advertising every year. Both Apple and Amul strive to make their brand and company sustainable, ecological and environment-friendly. This not only helps the environment but it helps them to reach out to people more efficiently and leave a positive impact on them. Apple has started drive to protect the environment which ended up being recognized by Climate Counts as the greenest electronic organization. The brand also received appreciation from The Environmental Protection Agency for being the most ecological friendly brand, thus Apple used this as a marketing strategy to promote itself and business.

With importance on product quality for both the customers and the environment, Amul ecologically friendly is all aspects of production. Amul started manufacturing their goods by Solar Energy only, which resulted in daily electricity savings up to 5,000kWH per factory. Additionally, the company also adopted scheme of repurchase and recycle its milk pouches when packaging its main products, in an effort to reduce the wide usage of plastic. Which resulted in attraction of people's

attention in general. Both Apple and Amul use internet marketing which is a major contribution in their business. Apple makes use of websites and social media platforms. Apple builds a customer base that it can easily contact with by connecting its website to other popular ones and offering promotional offers there. Amul marketing methods use a variety of social media techniques to stay current with the social scene and engage audiences in real-time network.

According to the research conducted, the channels of distribution of Amul and Apple have a relation. It is well known that both Apple and Amul use direct as well as indirect channels of distribution when it comes to selling and supplying their products. The Apple company model leverages both indirect and direct channels. Apple offers its products directly through its Apple Stores. In terms of direct distribution channels, Apple has its own stores worldwide to make their products available at large. They also sell their products and interact with customers via their official online website.

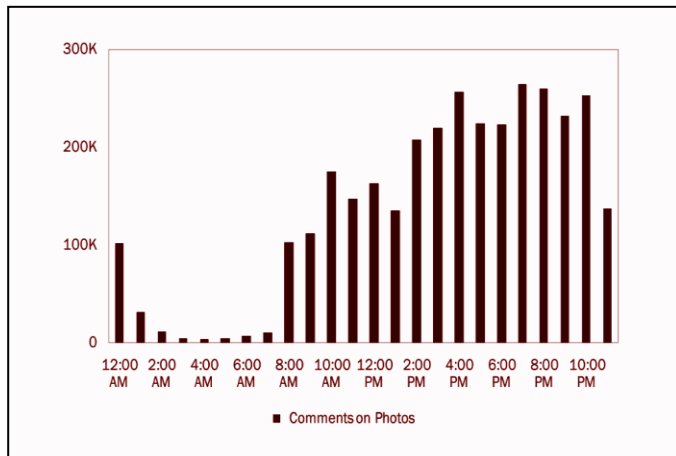


Fig. 1. Analysis of engagement rate of apple on social media

TABLE I. DIFFERENT PLATFORM ASSESSMENT

Platform	No. of Followers	Engagement Rate
Instagram	409k followers	3.14%
Facebook	2M followers	2.43%
Twitter	357.7k followers	0.35%
YouTube	490k Subscribers	0.04%

Apple employs variety of indirect distribution channels that includes:

A. *Third-party cellular network carriers.*

These carriers offer their own branded wireless services to clients, including Apple devices like the iPhone, and lease network capacity and equipment from major wireless network carriers, such AT&T, Verizon, and T-Mobile. Apple is able to reach a wider spectrum of customers through these agreements, including those who might not want or be able to buy their gadgets directly from Apple. Third-party carriers frequently offer less expensive plans and devices, thus this enables Apple to offer its devices through a wider range of pricing points. As many third-party carriers operate in markets outside of the

United States, these alliances may also enable Apple to increase its global reach.

B. *Retailers, wholesalers.*

A broad variety of stores carry Apple products, including Apple Authorised Resellers, premium resellers, and other independent merchants including Best Buy, Walmart, and Amazon. These shops frequently stock a variety of Apple goods, such as iPhones, iPads, Macs, and accessories. Apple is able to attract customers who might prefer to buy their items in a physical store by collaborating with these retailers to make their products more visible and accessible. Apple collaborates with wholesalers to deliver its products to resellers and smaller shops in addition to retailers. Wholesalers buy products in bulk from Apple and then sell them to smaller merchants who might not be able to do so.

C. *Merchants.*

Businesses who accept Apple Pay are able to give clients a quick and secure way to pay while also enhancing their company's visibility on the Apple Pay platform. Apple Pay is becoming a more widely used payment option for both consumers and businesses since it is accessible in an increasing number of countries and has relationships with a variety of financial institutions and payment processors. Accepting Apple Pay helps Apple expand adoption and usage of its payment service, which can assist improve sales of Apple products and services even if it is not a conventional mode of distribution. Additionally, Apple Pay may enable small businesses and retailers to compete with bigger stores.

Apart from the Apple Store, Apple products can be found at Radio shack, Best Buy, Target, Walmart, etc. On the other hand, Amul too uses both direct and indirect modes for its product distribution. In relation to indirect channels, GCMMF and Amul entrusted third party service providers for performing distribution activities. These include milk collection, dairy products distribution, products sales through retailers and dealers and some veterinary services, etc. Whereas, for direct distribution, Amul products are available in over 500,000 retail outlets across India through its network of over 3,500 distributors. There are 47 depots with dry and cold warehouses to buffer inventory of the entire range of products. GCMMF has 42 regional distribution centers in India and exports to more than 15 countries.

TABLE II. ANALYSIS OF AMUL'S COMMUNICATION AND DISTRIBUTION STRATEGIES

S. No.	Year	Marketing Strategy	Publish Source	Communication Channel	Distribution Channel
1.	1966	Advertising	India Times	Traditional	Direct/Indirect
2.	2014	Social Media Marketing	Digital Scholar	Digital/Modern	Direct/Indirect
3.	1966	Word of Mouth	MMBGI MS	Traditional	Direct/Indirect
4.	1967	Amul Girl as 'Mascot'	Startup Talky	Traditional	Direct/Indirect

TABLE III. ANALYSIS OF APPLE’S COMMUNICATION AND DISTRIBUTION STRATEGIES

S. No.	Year	Marketing Strategy	Publish Source	Communication Channel	Distribution Channel
1.	1980	Advertisement	Wikipedia	Traditional	Direct/Indirect
2.	2002	Digital Marketing/social Media	Ivy Panda	Digital	Direct/Indirect
3.	1980	Word of Mouth	Forbes	Traditional	Direct/Indirect

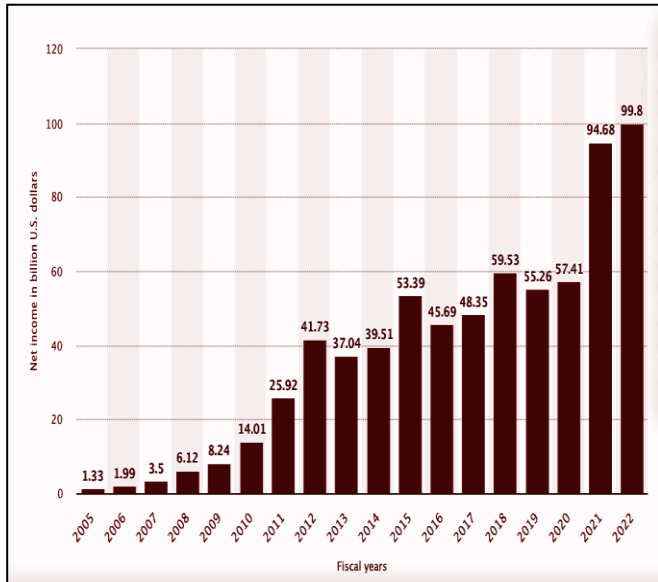


Fig. 2. Apple’s net income in the company’s fiscal years from 2005 to 2022 (in billion U.S. dollars)

TABLE IV. APPLE AND AMUL COMPARATIVE ANALYSIS

S. No.	Year	Source	Apple Growth Rate (%)	Amul Growth Rate (%)
1.	2000-2015	Statista, Amul.com	9.8% - 22.8%	14.66%
2.	2015-2020	Statista, Amul.com	86.25%	66.86%
3.	2020-2022	Statista, Amul.com	69.56%	82.25%

IV. CONCLUSION

Through the paper doctrinal, data analysis and graphs, and methodology the following data have been extracted. AMUL’s marketing strategy based on its communication and distribution channels over the years have been shown with the help of data and graphs. From this, it is reflected that with time it has opted for more and more innovations, creativity and efficiency in its modes and mechanisms of communication and distribution. APPLE’s marketing strategy based on its communication and distribution channels over the years have been shown through data and graphs. From this, it can be noticed that they have put a brief and great effort in enhancing their marketing strategies, channels of communication and distribution.

Comparative analysis of APPLE and AMUL have been done based on their growth rate over the years. From the data extracted, it can be clearly said that both the companies have flourished immensely over the years. Apple Inc. and Amul, though these companies belong to a totally different background of industries, but when examined among the tools and heads of marketing possess similarities and relation in abundance. One key factor to note from the research is that, both these companies invest their best efforts and resources on not only forming and regulating their marketing strategies with regard to the communication and distribution channels but they also keep up with the changing mindset and trends among people and opt the innovative practices and unique techniques to keep their customer base strong, happy and satisfied. This is a major reason behind the ultimate success of these companies in their field.

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