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STUDY ON MARKETING OF BANAS DAIRY IN VARANASI DISTRICT OF UTTAR PRADESH

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ABSTRACT

The present The present study, titled "Marketing of Banas Dairy in Varanasi District, Uttar Pradesh", analyses the marketing performance and operational challenges faced by Banas Dairy in a competitive and culturally unique region. With the cooperative's recent expansion into Varanasi, the research aims to assess its market penetration, efficiency, consumer perception, and distribution constraints. A multistage stratified random sampling method was used to select farmers and market functionaries across Kashi Vidyapeeth. Data collection was carried out through structured questionnaires and personal interviews. To interpret the data, several analytical tools were employed: the Chi-square test for association, the Garrett Ranking Technique for prioritizing constraints, Shepherd's formula to measure marketing efficiency, and standard methods to compute marketing cost, margin, and price spread. The findings reveal that Banas Dairy, despite its strong cooperative framework, faces major challenges such as high competition from brands like Amul, limited brand awareness, and higher transportation and processing costs. Market analysis showed Amul leading with a 32% share, while Banas (under Amul branding) had mixed consumer perceptions, particularly on pricing and taste. Extension contact among farmers was found to be moderate, and most belonged to small to medium-scale dairy operations.

Keywords: Banas Dairy, Marketing Performance, Varanasi District, Market Penetration, Consumer Perception, Marketing Efficiency, Distribution Constraints..

INTRODUCTION

In Varanasi district, Banas Dairy—operating under the Amul cooperative umbrella—has recently expanded its presence with the establishment of the Banas Kashi Sankul. This complex, inaugurated in early 2024, boasts an initial milk-processing capacity of 500,000 L/day and is expected to scale up to 1 million L/day. As part of a strategic push into Eastern Uttar Pradesh, the cooperative enhanced farmer engagement by forming nearly 1,346 village unions across Purvanchal, now collecting upward of 293,000 L/day, with Varanasi alone contributing around 132,000 L/day. Their marketing approach is deeply rooted in the Gujarat milk cooperative model, emphasizing local partnerships, farmer-centric pricing, and strengthened rural development through breed improvement

and scientific animal husbandry. These efforts aim not just to boost procurement volumes, but to establish a circular economy, adding value to both raw materials and end products while increasing farmers' incomes

RESEARCH METHODOLOGY

- **Study Area**: Varanasi District, Uttar Pradesh
- **Sample Size**: 100 respondents
- **Sampling Method**: Multistage random sampling across villages- (Akhari, Bacchaao, Karsada, Vishunpur, Susuwahi, Daffi, Tarapur, Tikari, Muradev, Lathiya) in Kashi Vidyapeeth block.
- **Data Collection**: Structured questionnaire and personal interviews

Analytical Tools Likert scale

- **Descriptive Statistics** – Mean percentages
- **Chi-Square Test** – Relationship between categorical variables
- **Garrett Ranking Technique** – To rank marketing constraints

RESULTS AND DISCUSSION

1. Socio-Economic Profile of Respondents

- Age: The Majority (28%) were in the 40–50 age group
- Literacy: 35% had school-level education; 35% were illiterate
- Family Size: 34% had families of 6–10 members
- Occupation: Mixed—farmers, professionals, homemakers, students

2. Preferred Marketing Channels

Channel I- (Producer→ Consumers)
Channel II- (Producer→ Milkman→ Consumers)
Channel III- (Producer→ Milk Co-operatives→ Processor→ Retailer→ Consumers)

Table 1: Effect of supply chain on the price of milk.

Supply chains	Milk production cost RS/L	Milk sells at the cost of RS/L	Consumer's price RS/L	Difference profit to producer RS/L	Cost spent market RS/L	Percentage Difference RS/L
CH1	25	70	70	45	0	**0%**
CH2	25	70	75	45	5	**6.67%**
CH3	**25**	**70**	**80**	**45**	**10**	**12.5%**

Table 2: To determine marketing cost, marketing margin, marketing efficiency & Price spread.

CHANNEL 1: (Producer→ Consumers)

S.No.	Particulars	Amount Rs/Ltrs.
1	Producer's Price (Received by Banas Dairy)	55
2	Marketing Cost (Packaging, Transport, Storage, etc.)	7
3	Marketing Margin (Profit by Banas Dairy/Retailer)	8
4	Consumer's Price (Retail Selling Price)	70
5	Price Spread	15
6	Marketing Efficiency	3.6

Table 3: Marketing cost, Marketing margin, Marketing efficiency, & Price Spread of Banas Dairy.

CHANNEL 2: (Producer- Milkman- Consumer)

S.No.	Particulars	Amount Rs/Ltrs.
1	Producer's Price (Received by Banas Dairy)	55
2	Marketing Cost (Packaging, Transport, Storage, etc.)	7
3	Marketing Margin (Profit by Banas Dairy/Retailer)	8
4	Margin of Milkman	5
5	Consumer's Price (Retail Selling Price)	75
6	Price Spread	20
7	Marketing Efficiency	2.75

Table 4: Marketing cost, Marketing margin, Marketing efficiency, & Price Spread of Banas Dairy.

CHANNEL 3: Producer- Milkman- Processor- Retailer – Consumer

S. No.	Particulars	Amount Rs/Ltrs.
1	Producer's Price (Received by Banas Dairy)	55
2	Marketing Cost (Packaging, Transport, Storage, etc.)	7
3	Marketing Margin (Profit by Banas Dairy/Retailer)	8
4	Margin of Milkman	5
5	Margin of Retailer	5
5	Consumer's Price (Retail Selling Price)	80
6	Price Spread	25
7	Marketing Efficiency	2.2

Table 5: **Market Share of Various Milk Brands**

S. No.	Brand Name	Total sales in liters	Percentage
1	Amul Dairy	11790	32%
2	Parag Dairy	9620	26%
3	Anand Dairy	4200	11%
4	Mother Dairy	3100	8%
5	Namaste India	4350	12%
6	Shudha Dairy	2715	7%
7	Gyan Dairy	1400	4%
8	Total	37175	100%

Table 6: **Perception of Consumers toward Amul Milk (Banas Dairy).**

Perception factors	Very good (%)	Good (%)	Unsure (%)	Bad (%)	Very Bad (%)	Total Respondents	Total Percentage
Taste	17	13	32	21	17	**100**	**100**
Aroma	14	18	28	18	22	**100**	**100**
Fat content	25	28	27	12	8	**100**	**100**
Packaging	18	24	23	19	16	**100**	**100**
Nutrient values	24	21	25	18	12	**100**	**100**
Availability	21	25	20	15	19	**100**	**100**
Price	18	21	16	18	27	**100**	**100**

Table 7: **Constraints faced in the marketing of AMUL Paneer and Ghee.**

S. No.	Constraints	Garrett Score	Rank
1	Poor quality of milk	78.56	II
2	Lack of availability of sufficient quantity of raw milk	68.72	V
3	Higher packaging material cost	54.08	VIII
4	Manpower with a lack of skill at the chilling centre	71.18	IV
5	Lack of quality control measures taken by chilling centres	23.44	XIII

RECOMMENDATIONS

The following are some suggestive measures for dairy farming which are as under: -

- **Quality Feed:** Ensure your dairy cattle receive a balanced diet rich in nutrients. High-quality feed leads to better milk production and overall health of the animals.
- **Regular Health Check-ups:** Schedule regular health check-ups for your cattle to monitor their health status and address any health issues promptly.
- **Water Supply:** Ensure a clean and adequate supply of water for your cattle at all times. Hydration is crucial for milk production and overall health.
- **Milking Practices:** Follow proper milking practices to maintain milk quality and prevent mastitis. Clean and sanitize udders before milking, and ensure milking equipment is properly cleaned and maintained.
- **Breeding Program:** Implement a selective breeding program to improve the genetics of your herd for better milk production, health, and longevity

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