

# Examining supply chain management in gianis ice cream



The company we have chosen is talking about the FMCG product that is the ice cream and the company we choose is GIANI'S ice cream which is now a renowned brand in India as the company is now a good brand in the ice cream sector.

Explains about the supply chain policy of the company and looking how the company is functioning in the market and what are the problems which the company faces while the company produces goods and how it manages to supply the product in the market and also to the consumers present in the market.

To see that the how the company tries to maintain its position in the market and compete with its competitors present in the market.

Giani's ice cream:-

History:-

The company was started in the 1950s. In 1956 its first outlet was set up on Fatehpuri, known as "Giani di Hatti" by Mr. Gucharan Singh Giani, who was from Faisalabad Pakistan and the founder of the Giani's.

As time passed by the company saw continued success. By the 1960s the rubric and kulfi faluda of Giani's became a great success and popular. As the end of the 1970s the second outlet of Giani's was opened with a grand opening in Rajori Garden and in 1980s a new menu of the Giani's came out with new products added in it and in 1999 new flavours were also introduced.

In 2009 the company extended its expansion with 20 more outlets all across and in 2010 there were more than 24 outlets including the NCR.

The business was shifted to the both of the sons and the business is running successfully by both the sons MR. Amarjeet singh giani and MR. Paramjeet singh giani.

Form the Gianis there are more than 3000 litres of icecream are manufactured regularly and with the target of making traditional ice cream and opening more than 100 outlets all across north india and south.

The company does not compromises on quality and quantity with less of price and low on marginal profit on it. Having various kind of flavours and tastes it follows a good supply chain policy.

#### SUPPLY CHAIN PROCESS:-

The planning structure of gianis is very systematic as the owner of gianis Mr. Paramjeet singh giani and Mr. Gurpreet singh giani who are highly educated and are well promoters and planners towards their business. they use various promotional schemes and offers t promote their ice cream parlours . the planning strategy they use is time management pre work keeping enough stock for the period when it is peak that is they use pre preparation service they have a structural formula fr preparing their ice creams a fully fledged organised staff and a well equipped factory and work place.

The control part is a very typical part of the company Mr. Manpreet singh giani the promoter and controller of the company controls the company in a very systematic manner , there are 7 accountants , handling the finacials of <https://assignbuster.com/examining-supply-chain-management-in-gianis-ice-cream/>

the company . there are more than 24 outlets and more than that there is a very systematic staff and marketing people are enthusiastic towards selling the ice creams in the market to the consumer , the labour present in the factory have official heads on it and also there is certain staff under it. The senior level , managerial level , financials and the executives the cast are the employees who work in the factory .

There is a proper channel through which the staff has to go through and handle the situations they are facing in the company.

The machines and the employees working work according to the orders given by the seniors present in the management . the seniors of the management work according to the orders of the ceo or the managing director of the company.

Work structure of the company is very systematic and organised as the work is divided between the subordinates and then further divided with in the employees of the company this is how the work of the company finishes and is done in a systematic and a proper manner and finished on time.

Organisation structure of the company is such that the owner and founder of the company divided or distributed its work to both of its sons further divided their work load to their generation means to their sons who are now handling and organising the business so well that the business has expanded its roots overseas now . they divided the company into 2 names giani and gianis , further dividing the company into 2 names created a great and a strong market of the company in the market and now is selling more ice creams and material producing more than quality in the market of the city . havng 2  
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main center heads in the city at different places to capture whole of the market of the other food industries present in the market. Now are spreading their roots overseas to get renowned all across the globe.

Product flow of the company is a clean process because they produce more than 3000 litres of ice cream every day for their consumers and franchise their ice creams too to various people all across the city and also started up retailing and consumer consumer retailing which means selling the product directly to the consumer through their outlets they have across the city and everywhere else the product is distributed according to the need and demand of the consumer in the outlets opened up.

Information flow means flow of talks and information or some important message from one person to another in the industry or company means flow of orders queries suggestions and results of the company and the company from the consumer to the company and from company to the consumer. Demand of the consumer is transferred from the employee working in the outlet to the manager of the outlet and transferred to the concerned marketing or order taking person of the company and when a new product is innovated the product is being displayed and given for free taste to the consumer.

The information flow in the factory or company flows as from the director to the promoter to ceo to the head and then flows from manager to employees and subdivision employees working in the company.

Management methods which the company follows is the orders of the high command that is they follow the instructions rules regulations which are set <https://assignbuster.com/examining-supply-chain-management-in-gianis-ice-cream/>

up by the high posted people on them , that is they only follow the order given by them, organising the people in a way that targets get completed satisfaction of the consumer, the management works as a team altogether to work towards the same goal and achive what they want to which is the satisfaction of the consumer.

Risks involved in the competitors who are already the existing players in the market. The loss of goods, electricity, low of production , high demand and less f production is also a risk factor for the company and shortage of labour for production of the good or commodity present in the market.

Rewards , there are certain rewards which are given to the employers and high level people working in the company for their motivation and for their betterment of the company , holiday , incentive , increment in salary , promotion in posts etc. So as they work hard for the company's progress and satisfy the consumer as much as they could so as the consumer comes back again towards the outlet opened up.

Culture of the company is quite aggressive and is very enthusiastic to sell their products in the market and satisfy the consumer present in the market for the product they are willing to buy. The culture is aggressive because the retail outlets present all over the city should be working in a sequel state and in a good condition. The people or employees working in the factory and in the outlets attract the consumer

Who come to eat or to taste the ice cream in the outlet and they sell their ice cream by new kind of schemes and offers present in the factory.

The attitude of the people of the factory and employees working in the outlets are humble in nature and are enthusiastic towards their product they are producing for the consumers present in the market . the employees have to be reactive and humble to attract the consumer to buy the product and also to satisfy them from their product they are selling in the market.

Firms involved:-

There are various competitors who are involved in the company and there are various firms or companies or people involved in the process of supply chain management which is used in the supply chain process of the gianis ice cream as these process help the company in building relationship with the consumer and helping them in doing good work in the market. Those firm are:-

Supplier:-

Suppliers are the people who transfer the products from one place to another or suppliers are also the people who give raw material, machines, equipments to the manufacturer or to the other retailers to sell the products. The supplier of raw material and machinery of gianis ice cream is Italy that is they get their raw material and machinery to produce products for the consumer so as they could give best of their products to the consumer and provide best quality of product to the consumer and sell god quality product in the market.

Caring and forwarding agents:-

There are various C and F agents who work for the company as the company have opened up various outlets which are present all over the city and also in suburbs of the city to serve the consumer. The agents pick up the product from the gianis ice cream factory and then transfer the products to the outlets through which the products are then sold to the consumer. The carrying agent carry's product from one factory and gives it to the forwarding agent who forwards the product to the distributor or to the outlet owner or the franchise of the company which the sells the product to the consumer.

Transporter:-

Transporter is one of the important person in the company as the transport facility is needed in the company to transfer the products from one place to another so this facility is needed by the company. The company mostly outsource this facility as the company does that they could use their money and mind in other processing facilities because outsourcing this facility saves time and the ice cream is delivered on time to the outlets and reaches consumer as fast as it could.

Middle man:-

There are various middle man in the industry for a company in the ice cream business there are middle man but the gianis ice cream just kept only one middle man at one time those are the outlet owners or the franchisers who sell the ice cream directly to the consumer, which reduces their cost of ice cream as they transfer the ice cream from the factory to the outlet directly



which is owned by them or has given as franchises to the people of different places.

Consumer:-

Consumer is the biggest firm involved in the supply chain process because the consumer is the person who has to decide whether the product is good or not or should the consumer continue with the same product or should shift towards the other product. The consumer is the only person who has to decide that the ice cream he is eating is good and should be continued.

Risks involved in the supply chain process:-

(<http://business-fundas.com/2010/risk-in-supply-chain-management/>)

There are few risks which are involved in the supply chain process which should be minimized so as the process of supply chain goes smoothly.

Environmental factors:-

There are certain environment factors like legal dealings taxes etc. Which the company or the ice cream has to handle and also includes in the cost of the product they are selling and keep the price of the product so low that the product they are trying to sell comes at such a cost that consumer is able to buy that product and is suitable to the pocket of the consumer.

Industry risks:-

There are industry risks also that is in the ice cream business if a close substitute or a close competitor comes up with the same product with less

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value and same or a new quality the consumer would swing itself towards that kind of product or a new product is launched in the market which is better than the previous product then the consumer would love to go towards the new product.

To minimize the risk which the company gianis face they keep inventing new kind of products in the market and keep looking and seeking towards new tastes and flavours for the consumer so as consumer remains attracted towards the outlet or towards the product or company.

Organisational risk:-

Organisational risk is the risk which means the cultural risk which is the attitude risk which is the management risk this risk occurs when the consumer is not willing to buy the product and the company starts retaliating its product from the market that is the culture the attitude to sells the product falls down then the organisation s gathered and is made to do the work in suc a way that the organisation and management goes in a similar way and is moved in a systematic manner.

Domain specific risks:-

The strategic and planning issues which create chaos in the strategic and the planning process of the company and may have high risks involved in the long run and could do well r may be not in the long run and are high risk taking. The company managers to avoid such kind of risk in the market remain ready for any kind of consequences and by these they remain free from any kind of risk they are willing to take.

Risk by decision makers:-

The risk which is done by decision makers that is the risk which the decision makers take and want to create their monopoly in the market is one of the reasons of high risks as anyone wrong decision could lead to loss for the company and failure of the product present in the company. To avoid such kind of risks the decision maker discusses the decision which he or she is going to take for the company's beneficial for the company or is not beneficial for the company so the decisions are discussed with the company employees.

TECHNOLOGICAL ADVANCEMENT:-

There are various other reasons why the company like Gianis ice cream is progressing the one reason is new kind of technology used in the factory like they use all the latest equipments they could use for producing good quality of ice cream in the factory for the consumers as they make the best ice cream all over with most of the flavours present in the market that is they make best flavours and consumer choice flavours.

This happens because they make ice creams in the machines they have bought from Italy, that is they have imported machines from Italy to produce best quality of ice cream and the most flavoured and natural product ice cream for the consumer so as the consumer likes the ice cream and comes regularly for it.

The machines used are CNC machines that is they are computerized machines which just takes orders and does the work according to the work

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has to be done. There is almost .09% of hand touch in the ice cream they produce maximum ice creams right now for the consumption of the consumers.

The company has 20000 litres of cold storage as the company produces 3000 litres ice cream daily and has a back up of 6000 litres for security purpose as the company has to keep a back up for more and more consumption.

Company also has its own transport which is fully equipped with cold storage facility for transporting the ice cream from the factory to various outlets present all across and without any damage the ice creams are transported from the factory.

There are automatic packing machines which automatically pack the ice creams in the boxes and seal the boxes so as there is no hand touch or human touch involved in it .

The company also has a fast reading process and a fast looking process of production and all equipped with the thing that what are the employees in the factory doing and is the work going smoothly or not.

There are engineers and ice cream experts working on the project of making ice creams with right and accurate kind of flavour for the consumer and for selling the product in the market.

Part b:-

Launching a similar kind of brand in the ice creams means setting up of the distribution network for the product so that the product reaches on time to the consumer and there is no delay in distribution of the product in reaching to the consumer. When the product would reach on time to the consumer only then the feed backs would come only then the company would know what changes should be done to improve the product.

Few points to set up the supply chain network and promotion of the product in the market are:-

Advertising:-

Advertising is one of the platforms through which the product is being introduced in the market and is shown in the market that the product is also now coming up for competition in the market.

Secondly taste advertising that is opening outlets in the market and making the consumer taste the brand or the product for consumption and get feedback for the product for improvement and people or consumer would know what kind of product is now available in the market.

No of middle man:-

Middle man is one of the cases as many middle man included in the field as much the cost of the product would increase that is increase in people for distribution of the product lesser the profit to the retailer or the seller and increase in the cost of the product. Basically there is middle man like distributors, whole sellers, retailers, sub retailers etc.

These middle men are allotted to transfer the product from the company to the consumer. To improve the cost and profit and reduce the price of the ice cream the middle man should be reduced so as there should be a cost effective product in the market and the product is consumer friendly and is suitable to the pocket of the consumer.

Use of technology:-

Use of new and improved kind of technology is also important to get best production and best of the product for the consumer. The use of new machines and new equipments for production and selling in the market. The use of CNC machines in the factory for producing good quality product for consumption.

New technology like refrigeration or can be said as storage of product in the place where the product is safe. New machines like ice cream making automatic machines for good quality product.

Outsourcing:-

Outsourcing is one of the reasons which could lead to good networking in the city or country for getting fast production and delivery of the product to the consumer on time. Like the company like gianis have outsources their product delivery I would prefer to outsource my product delivery too, as I could get my products deliver on time and get the feedbacks for the product.

To increase my production and also to increase my product also, as being a new player in the market I would prefer a skilled person for outsourcing my

product like making of ice creams , transporting, storage etc. to get the best out of it.

Order processing:-

Order processing means giving the order and preparing the order for the consumer this order processing happens when I would have to organise and manage the system of the factory so that the order given by the consumer gets best product for consumption. Order processing totally depends on managing and motivation of the employees to produce best quality product for the consumer for its consumption in the market and be renowned in the market.

Infrastructure:-

Infrastructure is one of the contents which is important where the production has to take place or can be said as where the machines where the storage of the product where the technology is to be used is infrastructure. Good infrastructure or good place to keep the product and produce the product is important from where the travelling or transportation costs cuts down and also the product is safe.

Government rules and regulations:-

Government rules and regulations have to followed and is to be kept in mind because the government have put few taxes and few kind of legal obligations that only these kind of chemicals can be used for the production has to be used for production of the ice cream for the consumer.

Legal environment:-

Legal environment describes the taxes and government rules which the company or my company has to follow for the smooth running of the company and for best quality production for the consumer so as there are no legal problems faced by the company , like taxes and the chemicals which have to used should be used only .

By this the government would be happy and there would be smooth functioning of the company also.

### **Looking into the logistics functions of the company:-**

Logistics functions are also important because due to this the logistic strategy are prepared for the company like:-

Order processing:-

Order processing as said is done to look that the work done is done properly and is done in a systematic way there is no problem occurring when the order is being created or prepared, the order processing is done to see that there is no problem being faced by the company or the machines which are working for preparing the orders for the consumer.

Inventory management:-

Inventory management means managing the stock which is present in the factory or the production area and is fully insured and transferred to the consumer when the consumer needs it. Managing the inventory is most important because the product prepared should not get dumped up inside



the factory or the cold storage and gets utilized at the same time also it is important to see that the inventory or stock kept inside is being used instead of stored.

Warehousing:-

Warehouse is the most important thing needed when running a factory or running a company because warehouse is needed to store goods which in surplus and which are made extra for selling in the ice cream business the cold storage is the storage where the ice creams are stored and are kept for selling so the company is having a capacity to store the ice cream or to store the ice cream which is produced extra or which is to be sold.

Transportation:-

Transportation facility is important to transfer goods and services from one place to another or transfer of goods from the factory to the warehouse or to the consumer is called transportation. Transportation can be outsourced the company mostly outsource it and at times also they have their own transport facility to transport the good from warehouse or factory to the other places or to the outlets present in the city or across the city or country.

Material handling and storage:-

Material handling and storage as said is the most important part because after the production of the product the second part comes to store the product safely and store it in a secure place so that the product does not get destroyed and remains safe, my company has its own cold storage for

storing the product and material or the raw material which the company gets  
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or buys is safe and kept securely so as it protected from the germs and dust particles.

Logistical packing and information system:-

Logistical packing means packing of the product and transferring the product to the outlets which means that packing the product properly and transporting or transferring the product to the outlets and to the places where the product is sold.

Information system is the system where the information is transferred from the consumer to the company and from the employee to the head of the company to know that the company is running in a systematic manner and to know what the consumer wants out of the company and to see that what new thing or changes is needed in the company to go further and increase the company production and increase the growth of the company.

Conclusion:-

The company has a good supply chain policy

The company always focuses of consumer satisfaction

Producing and increasing its outlets all over to capture the ice cream market

The company focuses on producing new kind of products to keep the consumers attracted towards the product and the company.

The owner of the company has its own storage facility to store its excessive products

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The company focuses on transporting the product to its outlet itself instead of outsourcing the product

The company by 2011 has the aim to open more than 100 outlets all across the country.

The company has a aggressive mode of producing goods and is enthusiastic to produce goods and attract consumers towards the outlet by various schemes

As said if having my own company of the same kind of product I would take care of the transport , storage and the management process for smooth functioning of the company.

More and more new products would be launched to attract the consumers keeping the priced low and giving them best quality of product at the same time.

Logistic and material requirement services would be in house so as there is no delay in transferring the product to the out let or to the consumer.