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Engro Foods which has captured 51% market share in the 4th quarter of 2012 is the giant foods service provider in the food and beverages industry of Pakistan.

Engro food is the subsidiary of Engro Corporation Ltd. started his operations in 2006. Engro foods are competing with giant companies currently in the food industry and the growth rate indicates that engro foods are big threat for these companies. Over 5 million people in Pakistan are using engro foods products, and over 50 million people start their day with Olpers Milk. Engro foods have two milk processing plant located in Sukkar, and Sahiwal. Engro have one dairy farm in sukkar named NARA dairy farm, which is producing 25, 285 liters per day, and a total herd size of 3, 444 animals of which 1, 707 is part of the milk cycle.

Engro foods have over 350 distributors across the country which is covering 12 regions. Olpers have three distribution centers in Islamabad, Sukkar, and Sahiwal. Engro foods have consumer centric marketing strategy for their brands which made engro a giant in the food and beverage industry. In this report we have covered the SWOT analysis of engro foods which has focused on the Stength, Weaknesses, Threats, and Opportunity of the company. The report has four chapters first chapter is brief introduction of the engro foods and olpers milk, the second chapter is shading light on the data and analysis been conducted, and the third chapter include recommendations and findings about engro foods, and the fourth chapter is a general conclusion about the whole story of engro foods. Engro foods have acquired Al-Safa which is providing Halal products in the 18 US state and in the four provinces of Canada.

These expansion made engro corporation is an international firm and is struggle for being the multinational company in future. II | P a g e Chapter 1 INTRODUCTION 1. 1 Engro Foods Brief Overview The word Engro stands for Energy for growth. Engro Corporation limited formerly known as engro chemical Pakistan limited is one of the largest corporation in Pakistan.

Engro foods Limited is the subsidiary of Engro Corporation Limited and has started his operations in 2006 (Our Company, 2013). Engro Corporation has chosen the dairy market as their next target to capture. Engro foods are the biggest competitor for the contemporary organization in the dairy industry like Nestle, Haleeb, Good Milk, and Nurpur. Engro foods are coming up with the quality and reliable product and launch multiple products like Ice cream, Milk powders, Fruit juices, and Flavored Milk. A top quality brand launched by Engro Foods Limited includes Olpers Milk, Olpers Cream, Tarang, Dairy Omung, Omung Lassi, Omore, Olwell, and Olfrute. These brands have been successfully launched and have got a good response from the consumers in Pakistan.

Engro is investing heavily in Milk processing and Milk Collection infrastructure. Engro foods believe on innovation as they introduce Olpers, Omore, and Olfrute in the market and are struggling for new initiatives. Engro foods also want to expand their operations in the market therefore they expand their brands into Dairy Omung, Tarang, and Omung Lassi to capture the market (anwer, imran ;, 2013). Engro foods are providing their services in 310 cities and four provinces of Pakistan as well as in 18 US States and four Canadian provinces (Khud Pakistan Annual Report 2012, 2012).

Engro foods are also meeting the Halal standard and have established a brand named Al-Safa which is providing halal products to more than 8 million muslim consumers in North America. These products include fresh, ready to eat, ready to cook, and deli. Engro Foods is playing an active role in empowering women through their project named “ The women empowerment through Livestock Development” (Khud Pakistan Annual Report 2012, 2012). Engro foods won the G20 Award for “ Inclusive Business Innovation” at G20 leaders’ 2012 summit in Mexico (Khud Pakistan Annual Report 2012, 2012). Over 5 1| P a g e million consumers nationwide are using engro foods products, and over 50 million people start their day with olpers milk (Our Company, 2013). 1.

Olper’s Milk Olper’s Milk is the brand of Engro Corporation Limited started in 2006, which is providing Milk to the customer in Pakistan. Olper’s Milk is getting more and more reputation every day in the dairy market as Olper’s is providing quality milk and cream to the market. Olper’s Milk is highly Ultra heated milk to preserve the thickness of the milk. Olper’s Milk is the major competitor for the existing organizations in the dairy milk industry. Olper’s Milk has achieved a strong consumer base due to his good quality product all across Pakistan.

Olper’s Milk is available in different packs of different weight which is Stock keeping unit (SKU), of 200 ml, 500 ml, 1000 ml, and 1500 ml value packs. In Pakistan Milk contribute 11% to the GDP, and 35 million people are involved in dairy farming (Jassar Farms (Pvt) Limited, 2013). Olpers has secured 51% Market Share in year 2012 (Khud Pakistan Annual Report 2012, 2012). TAG LINE The Proposition statement of Olper’s Milk is “ Subha Bakhair Zindagi”

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but recently Olper's changed his Proposition statement that is "Jo dil khol ke jeetey hai un ke liye hai Olper's".

Olper's has focused on empowering women for this reason they have made a TVC sound like this "Olper's Mera Intikhab" The choice of Pakistani women. Olper's also launched Tanhaiyaan Nayee Silsilay a sequel of Tanhaiya by exploring the complex choices confronted by women in family relationship and how they manage their different role in life (Khud Pakistan Annual Report 2012, 2012). 2 | Page Chapter 2 DATA & ANALYSIS 2. 1 Value Chain Analysis Value Chain Analysis was presented by Peter Drucker; which has two main activities that is Primary Activities and Supportive Activities. These two major activities include all the processing from designing a product to its delivery to the target customer and follow up.

Primary Activities includes Inbound Logistics, Operations, Outbound Logistics, Sales & Marketing, and Customer Service. Supportive Activities includes Procurement, Human Resource Management, Technological Development, Firm Infrastructure, and Research & Development. 2. 2 Olper's Milk Value Chain Analysis Olper's Milk is also believes on value chain because they know that their customer want some value for the product they have purchase from olper's. Olper's Milk is managing its value chain activities very efficiently and effectively which has a substantial impact on the performance of the brand and the higher Customer base.

2. 2. 1 Primary Activities Primary activities is the main activity in the value chain which helps Olper's to maintain good quality and standard of the milk.

Inbound Logistics Olpers has over 1, 300 milk collection unit all across Pakistan. Olpers collect milk from villages, forms, and local milk men.

The milk collected from villages, forms, and milk men is then sent to the plant through olper's own tankers. Olper's also has suppliers who collect milk and then sent to the plant through self-transport. The milk is then tested in the reception after weighing. When 3| P a g e a tanker is enter to the company boundaries olper's give him a token which include Name of the suppliers, number of the tanker, and quality assurance number. Operations Olper's Milk is managing its operations in a way to maintain the freshness, quality, and thickness of the milk. Production is the main area responsible for making output of inputs being processed.

The Production Manager is responsible for making sure that a needed and proper raw material is provided on timely basis, being processed effectively, and turned into finished goods. The production manager has to supervise all the production process and to make sure that the work is going smoothly and to make it more interesting for the staff. The production department has shift in-charge whenever he takes the control he has to review the ongoing production and what material is needed to order for successful completion of the output. They always communicate with the employees how to handle machinery, packaging material, and quality assurance. Outbound Logistics Supply chain department monitor all the warehouses of Olpers. Olpers has 400 distributers all across Pakistan which makes it possible to deliver the product to the ultimate consumer.

After packaging all the products are transferred to the warehouse across the country and then load to the vehicles and transported to the distributors after a proper order. The order includes the stock report, order sheet, loading slip, production department, dispatch report, and release report. Olpers has a Regional Sales Office in University Town Peshawar which has covered the full market. Marketing & Sales Marketing is the major revenue producing area in any business to plan, price, promote, and distribute product to final consumer.

Olpers Marketing includes Situational Analysis, Target Market, Objectives & Goals, Marketing Strategies and the Marketing Mix, and Monitoring and Controlling. Due to good marketing strategies engro foods growth is 35% per year, and 181% growth in Earning per Share (EPS) per year, in 2012, (anwer, imran ;, 2013). Olpers have over 350 distributors which are serving 12 regions across Pakistan from the three distribution centers in Islamabad, Sahiwal, and Sukkar. Olpers supply chain has secured 24% growth in volume 4| P a g e delivery of dairy and ice cream products in the year 2012 (Khud Pakistan Annual Report 2012, 2012). 1. Situational Analysis SWOT Analysis is also called Situational Analysis which includes Strength, Weakness, Opportunity, and Threats.

Swot analysis play a vital role in the growth of a business and almost every business experience the Swot analysis and has a substantial impact is found in the company's growth. Olpers also has doing Swot analysis to know the brand's strength, weaknesses, opportunity, and threat to compete in dairy industry. In this section we will be discussing the Strength, weaknesses, opportunity, and threats of Olper's Milk. Strength 1. Highly quality milk 2.

Ultra heat temperature (UHT) Milk 3. Successful related diversification strategy 4. Thicker milk for tea 5. Best Milk collection system 6. Suitable brand name 7. Good packaging 8.

Strong relationship with farmers 9. Best marketing campaign 10. Motivational tagline and slogans 11. Strong back by Engro corporation limited which has a strong reputation in the market 12. Good response from the customers which shows the quality and commitment of olpers 13.

Strong research & Development Weaknesses 1. Depend on tetra pack 2. Engro Foods have 40 milk collection center in Pakistan which is not enough to grow the business 3. Olpers have only one dairy farm which is not enough to milk the country.

5| P a g e Opportunity 1. Increase in Govt. Funding therefore farmer will be able to store milk for longer period of time 2. Increase in consumption of processed milk by the consumer 3.

Population growth 4. High migration rate of people to urban areas 5. Flexible Government policy for food industry in Pakistan 6. Improvement in literacy rate of Pakistan 7.

Olpers have enough funds to expand their operations in Pakistan 8.

Opportunity for globalization Threats 1. High inflation in Pakistan 2. Low purchasing power of the people 3.

Increasing interest rate 4. Law and Order Situation has a great impact on the company sales 5. Recession 6. Low GDP growth rate in the country 7. Giant Competitor in the market Services Olpers provide some very special services

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to its retailer in the form of discount so as to motivate their performance to sell olpers with a great passion. Olpers is taking the responsibility of pay back in case a retailer has received an expire product from the company.

6| P a g e 2. 2 Supportive Activities In the value chain analysis supportive activities play a vital role, as it support the primary activities and make a complete recipe. General Administration Olper's Top management is highly qualified, talented, experienced, and holds degrees in Business Administration from the reputed organization of Pakistan and USA. These managers know the importance of team work, commitment, coordination and support of different department to achieve a common goal of the company.

In the year 2012, the Board of Director held 6 meeting to cover all the activities and new initiative to be taken in near future (Khud Pakistan Annual Report 2012, 2012). Human Resource Management Engro foods have a well-established Human Resource department which support in the company's growth. Olpers has an innovative, efficient, and talented workforce. Engro food's HR is one of the best workforces in the country, which is because of its up to date HR Practices the most remarkable of which is recruitment, hiring, training & development, performance appraisal. The performance appraisal system of Engro has been declared to be the best in industrial sector of Pakistan.

Engro's Human Resource department has a best leave system. The Human Resource department at Engro foods is doing succession planning and implementing other HR policies pertaining to motivation, retention, and

training & development of the employees. Engro foods have a best Compensation Administration in the industry, and providing competitive packages to their employees relatively higher than the competitors. Engro Human Resource offers 23 days holiday per to each employee. Engro Human Resources provides PERKS to the employees on top position in type of Car. Engro food has a proper reward system to stimulate performance and productivity of employees.

Engro foods believe on equal employment opportunity, and have transparent, merit based performance management system, provide opportunity to employees to acquire knowledge for technical and managerial skills via class rooms, and on job training. Besides this engro provides an environment from all forms of discrimination, and harassment at workplace, provide flexible working arrangement for all, have good reward policies linking to performance (Booklet, 2012, p. 44). Technological Development Olpers has realized that for successful operations there must be an up to date technology to meet the challenges of the market and to compete in the industry. Technology can be a source of competitive advantage for the company.

Olpers have latest and unique technology which has been using for pasteurizing, purifying, and preserving the milk. Olpers uses imported plants & machinery for the milk processing. They have a proper system of transferring milk from one place to another which protects the milk from light, heat, and bacteria. The Research and development department of Olpers is very efficient and keep look on the new technologies being introducing in the market.

Olpers has two processing plants and production farm (Khud Pakistan Annual Report 2012, 2012). Olpers plant is located at the distance of 8 kilometer from the National High way Sahiwal Bypass Pakpattan Road which covers an area of 33.5 acres of land and its production range is 70 SKUs of dairy Olpers, Tarang, and Omore. Engro foods has made some changes in its North Plant which include Installation of a new AMF plant with a production capacity of 3000 liters per hour, Installation of two new A3 lines with a production capacity of 6000 liters per hour, Installation of a new SL-900 (Stick production line) with a production capacity of 720 liters per hour, Installation of two new Ecolean lines with a production capacity of 2250 liters per hour each (Khud Pakistan Annual Report 2012, 2012). The Engro foods South plant is located at a distance of 1.

kilometer from Sukkar Barage, which has covers a 27 acres of land (Khud Pakistan Annual Report 2012, 2012). 8| P a g e Procurement Olpers has its own dairy farm located in Sukkar named NARA dairy farm, which covers 50 acres of land with an additional acreage available for further expansion, and currently have herd size of 3900 animals, which makes it the country's largest dairy farm. (Khud Pakistan Annual Report 2012, 2012). The farm currently produces 25,285 liters per day with a total herd size of 3,444 animals of which 1,707 is part of the milking cycle (Recipes for Success, 3rd quarter, 2012).

Olpers is also collecting milk from rural farmers and have suppliers who provide milk on timely basis to make it possible to offer quality milk to the market. Olpers is focusing more and more on quality of raw milk being collected and conducted a test to check the quality and freshness of raw milk

after the test the milk is transferred to the plant for further processing.

Internationally recognized tests have been conducted to check the raw milk such as adulteration, Microbiological contamination, and adequacy of nutritional contents. The tests being performed in the initial stage include testing smell, taste, color, temperature, clots & boiling, fat test, and iodine value.

Olpers has established strong relations with its suppliers, farmers, and machinery providers from abroad. 9 | Page Chapter 3 FINDINGS & RECOMMENDATIONS By considering this report we come to know that Engro Foods have to consider the following recommendation to boost their growth and struggle for market shares. 1. Engro Foods have not yet started producing powder milk which is now a days the demand of the customers.

2. Engro Foods currently have two plants which is not enough to cover the whole country if Engro Foods increase the number of their plants it will be helpful in the producing of milk, powder milk and many other dairy products.

3. Engro Foods have to launch a chocolate brand in the country to capture the market. 4. Engro have to spend more on CSR activity.

5. Engro Foods have one dairy farm located in Sukkar which is not enough they have to establish more and more dairy farms so as to cut cost by purchasing milk from farmers and suppliers. 6. Olwell advertising must conform to local values to attract the market.

7. Olpers have to produce baby food products as our population is growing day by day. 8. Olpers have to offer discount in Ramadan to give a religious touch to the products promotion as people is supporting such activities 9.

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Engro foods have to target low income group and offers small packages in olper milk.

10. Olpers have to plan awareness program on UHT to acquaint people to the use of UHT process and give them a medical proof to better motivate the people. 11. Olpers have to introduce yogurt in the market as the other competitor is coming up with. 10 | P a g e Chapter 4 CONCLUSION All the data mentioned above it is clear that olpers is one of the best brand in the dairy industry of Pakistan. Olpers has strong customer base now a day in the market.

Olpers is focusing mainly on quality that's why olpers milk is grabbing the customer attention. Olpers is the giant in the current dairy industry as they secure 51% market share in 2012 which shows its commitment, quality and reliable services to the customer they are providing. Olpers has strong network of farmers who are providing milk to the plant located in Sukkar, and Sahiwal to meet the demand of the customer. Olpers has a well-established Human Resource Department which is playing a vital role in the growth of the company by its outstanding policies such as Compensation Administration & Benefits, Performance Management System, Training & Development, Equal Employment Opportunity, and Diversity & Non Discrimination. The Human Resources at Engro foods is the source of competitive advantage for the company. In the above data we come to know that Olpers has well-established Marketing & Sales department which makes it possible to develop, produce, price, position, promote, and distribute the product to the ultimate consumer all across Pakistan.

Olpers is also following the safety standards of OSHA, IOSHA to ensure the safety and security of their employees working in the plant. 11 | P a g e

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Engro corporation. (2012).