

# Cadbury and lindt chocolate companies report examples

[Business](#), [Company](#)



## **Abstract**

The chocolate industry is extremely core in the economy of India. There are key players in the chocolate market with Cadbury leading a fleet of other companies like Nestle, Amul Milk, 5-Star and Bars Count Lines Wafer Panned Premium. The latest company to the market is the Lindt Company. Cadbury Company enjoys the largest market share of 70% while the rest share the remaining 30%.

Cadbury has remained dominant following its uniqueness in production, marketing and location of its selling points. The company is extremely keen on these sets of marketing elements to ensure the best share of the market remains on its side.

On the other hand, Lindt is adopting all necessary measures and tools that will equip it with the ability to gather a reliable share of the market. The company considers using new promotional methods, proper pricing, quality production and reliable places of production as methods of accessing the already dominated market.

The success of Lindt will be influenced by the initial understanding of the market which should be matched with proper working strategies. These are some of the agents that influence the consumption of chocolate in the country from 30000 to 36000 tonnes.

## **Introduction**

India is not new to chocolate products. The chocolate industry in the country has a long history, which is marked by the entry of Cadbury to the country in 1947. The country's market size for chocolate is as wide as up to 30,000

tonnes. The main geographical distribution points are Mumbai, Delhi, Kolkata and Bangalore. Being the oldest chocolate company in the country, Cadbury enjoys 70% share of the market with the rest of the companies sharing the remainder. The reason for the adverse success of the company in the country is the timely entry to the market as well as production of high quality products in terms of size and variable tastes for these products. Lindt is a Swiss based company dealing with chocolate. This is one of the impending competitors for Cadbury in the Indian market. The company has also come up with adverse strategies to deal with market entry challenges for it to settle in a wide share of the market (Business Maps of India, 2010).

India has indicated a rise in consumption of chocolate by 15% from 30000 to 36000 tonnes. The price of the products has been a major determinant of the market share for any company. It is estimated that the wafer market for chocolates in India will rise from 30% to 35% (Indian Mirror, 2012).

## **Comparison between Cadbury and Lindt in India**

### **Cadbury**

This is a multinational chocolate company that operates in five main categories. These categories have been developed as strategies to equip the company with a wide share of the market. They include; Biscuits, beverages, gum, candy, and Chocolate confectionery.

The company has been able to produce several brands of its products under the Chocolate Confectionary business. In this sector, the company has been a key leader in production of crucial brands such as Bournvita, Cadbury Dairy milk, 5 Star, Bournville, Perk, Celebrations, Halls, Gems, Eclairs, Tang,

Bubbalo, and Oreo. This is a presentation of the strategy that the company uses to capture a wide market. With this wide range of products, the company is exposed to a diverse number of customers following the various brands of chocolate that the company has developed. In these forms, biscuits are meant for different purposes and occasions. Therefore, the company has solved this problem by developing products of different tastes to favor the market by incorporating most of the customers following production of biscuits that favor their tastes (Indian Mirror, 2011).

The company also uses its brand "Cadbury" on production of other goods like biscuits, beverages, and Candy. This is another extremely significant tool for marketing in the food industry. These products are related in the likelihood to attract customers into their consumption. Therefore, the market for one of the products may be the market for the other product.

In India, Cadbury enjoys approximately 70 % of the market share in the chocolate category. The Cadbury Dairy Milk is gold in the chocolate market in India. The chocolate has been manufactured under critical measures and value maintenance which has defined the high quality and tasty chocolate. The chocolate contains a purely developed cocoa which maintains the pure taste for the chocolate brand making it the best among consumers in India (Business Maps of India, 2010).

For a long time, the company has been importing raw materials for production of chocolates and the rest categories it produces. However, this situation changed when the company initiated cocoa cultivation in the country. The company is involved in adverse research for cocoa and its hybrids. The company also educates farmers on the best qualities of Cocoa

to farm. This equips the company with access to raw materials at low cost, which is reflected to the company's ability to maintain a wide chocolate market share (Fuller, 2010).

The company has set business centers for chocolate in different regions in the country. The supply points for the company are well distributed to ensure that almost every individual in the company has access to the Cadbury chocolate. Taking these products closer to customers make these products more famous with most people having access to the product.

The company also believes in marketing through advertisements which is also an extremely clinical measure towards governing a market. The company uses billboards, TV shows and promotional activities to attract customers to the business. This is the most common marketing strategy that businesses use in the country (Business Maps of India, 2010). It has been beneficial to the company since it has assisted in maintaining the market share as well as keeps it in a projectile move.

## **Lindt**

Lindt makes the latest entry to the Indian chocolate market. This means that the company is exposed to adverse challenges that it has to counter to establish a reliable base in the market. The company has to adopt ways through which it is going to maneuver the market and establish a solid base in the country. With big players in the market like Cadbury uniqueness must be established by the Lindt Company to win more customers as well as gain a share of the minimal market available. Lindt is part of the companies that share the 30% that remains after Cadbury takes its 70% share of the

chocolate market (Indian Mirror, 2011).

The company has adopted different strategies that will assist it in gaining access to the stubborn chocolate market in the country. The company has not ignored the 4Ps which are core marketing tools. These Ps are product, promotion, price and place.

The company is extremely keen on its production. It ensures that the kinds of products that it produces are in line with the demands of the customers. Like Cadbury, Lindt has also brought up a range of chocolates which are defined for different occasions. The company has prepared its products in the form of gifts for different occasions. For example, the company has products for birthdays as well as gifts for couples. This uniqueness is making the company fetch a wide share of the market. The company has branded its chocolate into the Exquisite Chocolate Hamper and the Lindt Lindor Milk Chocolate Truffles. These brands are extremely attractive following their red-colored branding matched with creative decorations. This packaging may be extremely attractive and may fetch a fantastic deal of customers. This is one of the entry strategies that Lindt is extremely cautious on. The company has used its sophisticated experience in production to produce 85% dark chocolate which forms a basis for its competition with other products in the market. The 160 years in production for the company has equipped it with adverse experience to help the company in developing quality products in India (Tajonline, 2011).

Pricing has been another entry point for the company. Lindt has been prepared in such a manner that it is cost effective, maintaining quality and keeping the prices low. The prices for the Lindt Chocolates have to be

stumpy enough to make sure that it is able to challenge the dominant Cadbury in the market. Low prices may attract a portion of customers who may not afford the high quality Cadbury chocolate or any other brand in the market (Tajonline, 2011). At the end, this may attract a good deal of customers to the company making it acquire a concrete share of the market.

The location of its shops will also be extremely fundamental in assisting the company acquire a reliable market share. Although, companies like Cadbury are in the main towns of the country, it would also be prudent for the corporation to settle in those towns. Following the uniqueness of the company in marketing and pricing it is likely to make sales in such regions. The company may also choose to operate in regions where there are no other companies by setting industries there provided raw materials are readily available.

## **Analysis**

Cadbury is a tremendous player in the chocolate industry while Lindt is a small player. Following its previous performance, Cadbury may maintain itself for a long time in the business. However, entry for new companies like Lindt to the industry requires consideration of various strategies. The most common strategy that the company needs to treasure is the 4Ps marketing strategy. However, Lindt has employed this strategy in ensuring it acquires an enjoyable share of the market. Although Cadbury remains the main market holder, Lindt can also gain reasonable share of the market. This may

only be determined by the market entry techniques that may be chosen by the company.

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