

A Peer into Dinshaw's Evolution as a Brand from Inception to Millennial Era: Product Quality, Innovation & Presentation

Case Study on Dinshaw's Ice Cream

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Case Coverage/Focus Area

Dinshaw's Mission

1. Product Quality
2. Product Innovation
3. Product Presentation

Framework for the Case

1. Brand Ideology
2. Brand History
3. Brand Evolution

Case Summary/Abstract

“How business psychology and operations change with the entry of new generation and how successful brands blend the traditional and modern approaches to create a value proposition for the stakeholders.”

This case is about Dinshaw's Ice Cream which is founded by Dinshaw and Erachshw Rana in the year 1932. This case focuses on how Dinshaw's strategy evolved as innovation, presentation and improvement in the product quality. Dinshaw's captured the major parts of Indian Market to sustain its position among the leaders of the industry.

When this firm entered in the market in the year 1932, ice cream was considered to be a product bought through impulse. That means one would have ice cream without any plan of consumption especially in the hot season. That's why Dinshaw's positioned themselves to justify the impulsive behavior of the customer.

However, the increasing competition eventually forced the brand to position themselves differently. The market has become more aware and educated about shopping. Indian market has started calculative shopping to sustain in the changing economic situations.

This is how the brand decided to focus on the main segment which was children. This worked well, however, for expansion the brand cannot only rely on one segment and therefore, they again have to rethink their strategy.

The main focus of this brand remains as best quality of the product to attract new customers and retain the loyal customers.

This case study revives the journey of the brand from its inception till the current era and how it has been evolved to sustain and cater the needs of the market.

How it Began

It was a sunny morning when all the leadership personnel running around for making it perfect show. This was the most awaited day for Ranas and Bapunas. The day of annual board meeting, where the top executives of Dinshaw's come together to discuss about the brand and product strategy for taking the brand one step ahead in the race of leading dairy product/ice cream brands. The management at Dinshaw's was very clear about their progressive approach towards the expansion and growth of their sustainable brand. The front-line executives were expected to come up with the challenges faced and the solutions to overcome those, in line with the ideology & mission of the company.

The meeting started with the welcome address and briefing of the previous year's review. The board members have presented the market analysis based on the existing business environment and the solutions and strategy to conquer the market has been discussed. The present case study is a peep into the execution of the outcome of this important meeting.

About Dinshaw's

Dinshaw's is a well-known Ice cream and dairy products brand in India having distribution all over India. The major market of its dairy products are Central India and North India to some extent. It has significant market presence in Maharashtra, Gujarat, Goa, Andhra Pradesh, Parts of Karnataka, UP, Parts of Rajasthan, MP, Chattisgarh, Orissa, and Jharkhand. The products include ice cream, dairy and bakery products.

Website: <http://www.dinshaws.co.in/>

Dinshaw's Brand Ideology

The Brand has been established with the ideology that greatness is an integral part of the brand value. That's why Dinshaw's believed in the integrity, ethics and respects for all as mentioned in their mission statement. The brand projects itself as a place for employees to work happily and create happiness for themselves. The brand focuses on keeping employees happy; thus, they can help getting happy customers. According to the mission statement, The ultimate aim is to find individual and collective happiness. Dinshaw's also positioned itself as a brand focusing on safety and sustainability. The brand value is to produce and sell products which are healthy and safe for consumption. It also focuses on the safety and sustainability of the environment and nature.

History of Dinshaw's

Dinshaw's as mentioned above established by Dinshaw and Erachshaw Rana in the year 1932 as a handcrafted premium ice cream brand. Dinshaw's has been able to create its presence in the market for around 2 decades after establishment and soon grew as luxury ice-cream brand by 1950. The brand started expansion of business in the year 1972. With the entry of the new generation into the business, Jimmy Rana, The MD has decided to reposition the brand to suit the current market in the year 1981. It was extremely important for the business to have strong working capital to grow. That's why Dinshaw's decided to join hands with Bapuna family as equal shareholders. With these two entities coming together, the brand grew in leaps and bounds. By this time, the current generation into business has not only focused on ice cream but also on producing dairy products. With this ideology, the brand established a huge dairy plant in the year 2012. Dinshaw's today is considered to be one of the most trusted and leading ice cream brands.

Dinshaw's Brand Evolution

From 1932 to the current day, Dinshaw's has been able to accommodate to the taste of Indian customers and sustained as a one of the sought-after brands. While continuing the journey as well-known dairy product brand in India, Dinshaw's has been evolved from a small handcrafted ice cream parlor to a large dairy farm with the ideology of best product quality, innovative product mix and striking presentation of the product to attract and retain customers.

The evolution of the brand has been dramatic. The millennial generation into business of this brand has always come with new ideas and the leadership team has involved in undertaking proper market analysis on timely basis, to keep a pace with the changing market and to upgrade the strategies according to the need.

Salient Facts to know about Dinshaw's

1. Company Profile

Sr. No.	Particular	Facts
1	Type	Dairy Product Manufacturing
2	Year of Establishment	1932
3	Company Type	Private Limited
4	Employee Strength	1098
5	Annual Revenue 2018	\$90.03 USD
6	Market Share 2018	24.59% (all location Pan-India)
7	Margin Structure	10% for Distributors & 25.50 % for Retailers
8	Average Sale/Day/ Location	\$ 9.7 USD
9	Ice cream Production Capacity	230,000litre per day
10	Total Outlets	Approx. 700

Source: www.dnb.com

2. Market Presence

Dinshaw's has a significant market presence in Maharashtra and other states. The main product line is ice cream and packaged milk. The manufacturing of these products takes place in two plants outside of Nagpur, Maharashtra. By the end of Fiscal Year 2018, the firm's sales stood at 579 crore INR and losses at 2 crore INR as reported by Crisil. The scale of operations with revenue of 480-580 crore INR in the year 2018.

Source: www.livemint.com

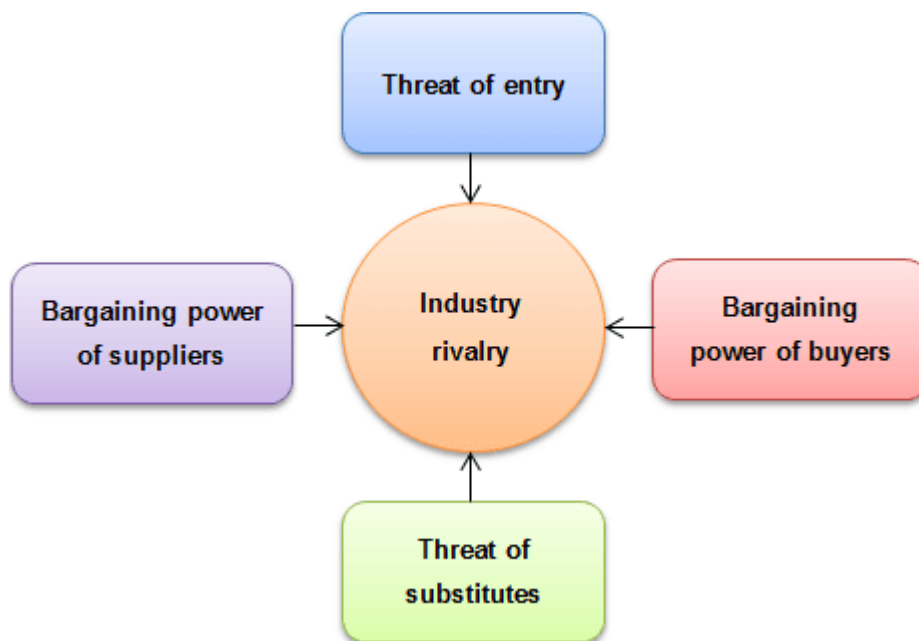
Problem Statement in the Case

The leadership team of Dinshaw's has been actively engaged in gauging the market conditions and to evaluate the position and power of the brand as per the market value. To achieve this, the brand has decided to adopt a developmental process which includes evaluation of the market, analysis of the customer needs and adapting a strategy to expand the market share.

Analysis of the Market by Dinshaw's

The market analysis has been carried away using Porter's Five Force Model. This model has been useful to understand the changing market forces which have direct impact on the business.

Figure 1: Porter's Five Model



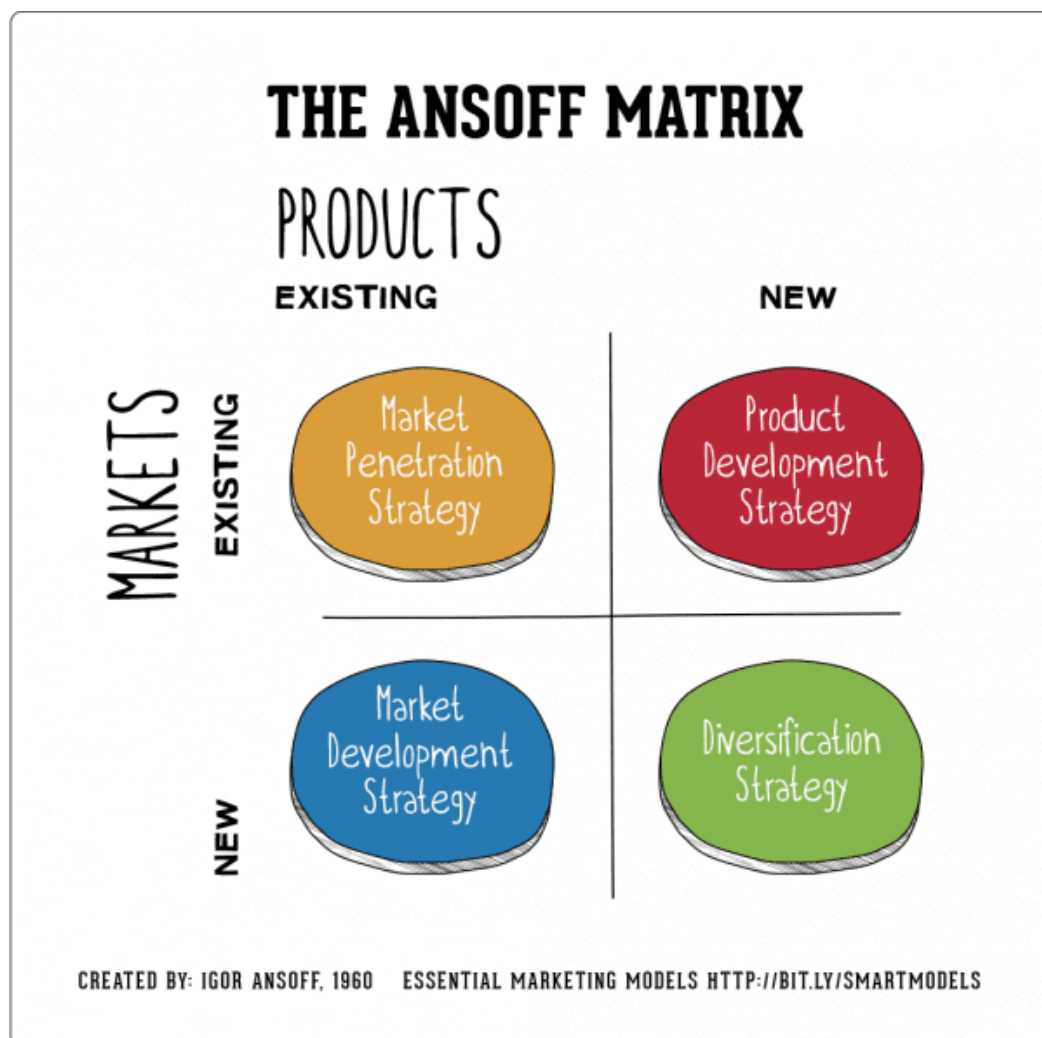
Source: <https://strategicmanagementinsight.com/tools/porters-five-forces.html>

Dinshaw's faced threat of new entries as one of the major forces in dairy/ice cream industry as there were many organized and unorganized players entering the market every now and then including brands such as Amul, Quality, Mother Dairy etc. Due to the globalization and liberalization even, the foreign players were entering into the market such as Baskin & Robinns. The second major challenge faced by Dinshaw's earlier and in current era as well, is the fact that "customer is king". The customers have become well aware and they don't mind trying out new options in the current era. The customers are having varied options in the market and maximum customer base in India is price sensitive. The available substitutes in the market are creating difficulty in brand loyalty. The third challenge faced by Dinshaw's was increasing competition among the local as well as international players. There is very less scope of differentiations in this industry, thus Dinshaw's had to deliberate over how to create a unique brand value. The next major challenge forced by Dinshaw's was effective supply chain as the dairy products are perishable and environmental change sensitive.

Dinshaw's Strategy

It was imperative for Dinshaw's to adopt an effective strategy to sustain its growth in the market. There are various strategy models available in the market. After meticulous evaluation of the nature of challenges and the need of the market, Dinshaw's decided to adopt The Ansoff Matrix, as Product Quality, Product, Innovation and Product Presentation were the major considerations of Dinshaw's brand mission.

Figure 2: The Ansoff Matrix



Source: <https://www.smartinsights.com/marketing-planning/create-a-marketing-plan/ansoff-model/>

The Final Call

To deal with the challenges including threat of new entries, competition and buyers bargaining power, Dinshaw's focused on the variety of handcrafted ice cream flavors and kept on introducing new options as per the taste of the customers. The most popular flavors (helped the brand to sustained the competition) include Belgium, Mello Yellow, Litchi, King Alfranzo, Chikoo, Guava, Anjeer Badam and Asli Chocolate Ice Cream. Dinshaw's also cater to the different segments of the market by providing value for money to suit the Indian Market Sentiments. Dinshaw's has believed in continuous upgradation in the products and focused on the safety and quality of the products to sustain its growth. The brand diversified the product line from ice cream brand to all dairy products. During non-summer season the company started

distributing milk and milk products to continuously gain profits. The vision of Jimmy Rana, the MD of Dinshaw's emphasized on expansion into achieving new milestones.

The company ensured that the supply chain has to be efficient and effective, to overcome the challenge of bargaining power of the supplier. Dinshaw's has a separate logistics and supply chain department to ensure the timely delivery of its products. Dinshaw's used EDI (Electronic Data Interface) to create a flawless supply chain system. The supply chain practices were integrated through IT platforms, so that it kept the pace with digitization.

Reference

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